

at 12 o'clock m., took recess to 2 o'clock p. m. today.

AFTERNOON SESSION.

The House met at 2 o'clock p. m., and was called to order by the Speaker.

HOUSE BILL NO. 2 ON PASSAGE TO ENGROSSMENT.

The House resumed consideration of pending business, same being House bill No. 2, relative to relocating the penitentiary system, on its passage to engrossment, with amendment by Mr. Beck and substitute by Mr. Petsch for the amendment, pending.

(Pending consideration of the amendments, Mr. Kemble occupied the chair temporarily.)

(Speaker in the chair.)

Mr. Johnson of Dimmit moved that the House recess until 9:30 o'clock a. m. tomorrow.

Yeas and nays were demanded, and the motion was lost by the following vote:

Yeas—47.

Acker.	Kincaid.
Allred.	Lee.
Anderson.	Lemens.
Baker.	Marks.
Chastain.	Mehl.
Coltrin.	Montgomery.
Cox of Lamar.	Mullally.
Enderby.	Nicholson.
Farrar.	Pool.
Gates.	Pope of Jones.
Gilbert.	Richardson.
Harding.	Riley.
Harper.	Rountree.
Harrison.	Savage.
Heaton.	Shelton.
Holder.	Simmons.
Hopkins.	Storey.
Hubbard.	Tillotson.
Johnson	Van Zandt.
of Dallam.	Walters.
Johnson	West.
of Dimmit.	Williams
Johnson of Smith.	of Hardin.
Jones.	Williams
Kayton.	of Travis.
Keeton.	

Nays—75.

Ackerman.	Beck.
Adkins.	Bond.
Albritton.	Bounds.
Avis.	Bradley.
Baldwin.	Brice.
Barnett.	Brooks.
Bateman.	Carpenter.

Cox of Limestone.	Morse.
Davis.	Murphy.
Dunlap.	Negley.
Duvall.	Olsen.
Eickenroht.	Palmer.
Forbes.	Patterson.
Fuchs.	Pavlica.
Giles.	Petsch.
Graves	Pope of Nueces.
of Williamson.	Purl.
Graves of Erath.	Quinn.
Hardy.	Reader.
Harman.	Renfro.
Hogg.	Rogers.
Johnson of Scurry.	Shaver.
Justiss.	Sherrill.
Keller.	Sinks.
Kennedy.	Snelgrove.
King.	Speck.
Kinnear.	Stephens.
Land.	Stevenson.
Long of Wichita.	Tarwater.
Loy.	Turner.
Magee.	Warwick.
Mankin.	Webb.
Martin.	Westbrook.
McCombs.	Wiggs.
McDonald.	Williams
McGill.	of Sabine.
Metcalf.	Woodruff.
Minor.	Young.
Moore.	

Absent.

Mr. Speaker.	Mosely.
DeWolfe.	O'Neill.
Hefley.	Ray.
Hines.	Reid.
Hornaday.	Sanders.
Jenkins.	Thompson.
Kemble.	Veatch.
Mauritz.	Waddell.
Maynard.	

Absent—Excused.

Conway.	Long of Houston.
Ewing.	McKean.
Finn.	Prendergast.
Finlay.	Strong.
Kenyon.	Wallace.

RECESS.

On motion of Mr. Beck, the House, at 5:15 o'clock p. m., took recess to 9:35 o'clock a. m. tomorrow.

NINTH DAY.

(Continued.)

(Thursday, February 6, 1930.)

The House met at 9:35 o'clock a. m., and was called to order by Speaker Barron.

HOUSE BILL NO. 2 ON PASSAGE TO ENGROSSMENT.

The Speaker laid before the House, as pending business, on its passage to engrossment,

H. B. No. 2, A bill to be entitled "An Act relating to the prison system of Texas, and providing for the rehabilitation, renovation and concentration of the prison system of the State of Texas on the present site of the central prison and walls in the city of Huntsville, in Walker county, Texas."

The bill having heretofore been read second time, with amendment by Mr. Beck and substitute by Mr. Petsch for the amendment, pending.

(Pending consideration of the amendments, Mr. Keller and Mr. McCombs occupied the chair temporarily.)

(Mr. McGill in the chair.)

EXTENDING FELICITATIONS OF THE HOUSE TO SPEAKER BARRON.

Mr. Tillotson offered the following resolution:

Whereas, The Honorable Speaker of the House has today reached the forty-first milestone in the journey of life, be it

Resolved, That the cordial felicitations of the House are hereby extended the Hon. W. S. Barron, Speaker of the House, upon this anniversary of his natal day, with our best wishes for his long life and happiness.

Signed—Kayton, Justiss, Kennedy, Hardy, Metcalfe, Allred, Tillotson, Johnson of Dimmit, Thompson, Chastain, Shaver, Sherrill, Sanders, Murphy, Hubbard, Wallace, Purl, Minor, Beck, Holder.

The resolution was read second time, and was adopted.

(Speaker in the chair.)

RECESS.

Mr. Quinn moved that the House recess to 2 o'clock p. m. today.

Mr. Woodruff moved that the House recess to 1:30 o'clock p. m. today.

The motion of Mr. Quinn prevailed, and the House accordingly, at 12 o'clock m., took recess to 2 o'clock p. m. today.

AFTERNOON SESSION.

The House met at 2 o'clock p. m., and was called to order by the Speaker.

HOUSE BILL ON FIRST READING.

The following House bill, introduced today, was laid before the House, read first time and referred to the appropriate committee, as follows:

By Mr. Hopkins and Mr. Kayton:

H. B. No. 18, A bill to be entitled "An Act amending Article 1645 of the Revised Civil Statutes of 1925, so as to fix and regulate the compensation of county auditors, and declaring an emergency."

Referred to Committee on State Affairs.

HOUSE BILL NO. 2 ON PASSAGE TO ENGROSSMENT.

The House resumed consideration of pending business, same being House bill No. 2, relative to relocating the penitentiary system, on its passage to engrossment, with amendment by Mr. Beck and substitute by Mr. Petsch for the amendment, pending.

(Pending consideration of the amendment, Mr. Beck and Mr. Holder occupied the chair temporarily.)

Mr. Keller moved a call of the House for the purpose of maintaining a quorum until 5:30 o'clock p. m. today, and the call was duly seconded.

Question recurring on the motion for the call of the House, yeas and nays were demanded.

The motion prevailed by the following vote:

Yeas—65.

Adkins.	Justiss.
Anderson.	Kayton.
Avis.	Keller.
Bateman.	Kennedy.
Beck.	Kincaid.
Bounds.	Kinnear.
Brice.	Magee.
Carpenter.	McCombs.
Enderby.	McDonald.
Farrar.	Minor.
Finlay.	Moore.
Forbes.	Mullally.
Fuchs.	Murphy.
Gates.	Negley.
Giles.	Nicholson.
Graves	Palmer.
of Williamson.	Pavlica.
Graves of Erath.	Pope of Jones.
Hardy.	Pope of Nueces.
Harman.	Quinn.
Harrison.	Reader.
Hines.	Riley.
Hopkins.	Rogers.
Hubbard.	Shaver.
Jenkins.	Sherrill.

Simmons.	Warwick.
Sinks.	Webb.
Snelgrove.	Westbrook.
Speck.	Williams
Stephens.	of Hardin.
Stevenson.	Williams
Storey.	of Travis.
Thompson.	Young.
Veatch.	

Nays—55.

Acker.	King.
Ackerman.	Land.
Albritton.	Lee.
Allred.	Lemens.
Baker.	Loy.
Baldwin.	Marks.
Barnett.	Martin.
Bond.	Mauritz.
Bradley.	McGill.
Brooks.	Montgomery.
Chastain.	Morse.
Coltrin.	Mosely.
Cox of Lamar.	Olsen.
Cox of Limestone.	Patterson.
Dunlap.	Pool.
Eickenroht.	Purl.
Gilbert.	Ray.
Harding.	Renfro.
Harper.	Richardson.
Heaton.	Rountree.
Holder.	Savage.
Johnson	Tillotson.
of Dallam.	Turner.
Johnson	Waddell.
of Dimmit.	Walters.
Johnson of Smith.	West.
Johnson of Scurry.	Williams
Jones.	of Sabine.
Keeton.	Woodruff.
Kemble.	

Absent.

Mr. Speaker.	Mehl.
Davis.	Metcalf.
DeWolfe.	O'Neill.
Duvall.	Petsch.
Hefley.	Reid.
Hogg.	Sanders.
Hornaday.	Shelton.
Long of Wichita.	Tarwater.
Mankin.	Van Zandt.
Maynard.	Wiggs.

Absent—Excused.

Conway.	McKean.
Ewing.	Prendergast.
Finn.	Strong.
Kenyon.	Wallace.
Long of Houston.	

The Speaker then directed the Door-keeper to close the main entrance to the Hall, and instructed the Sergeant-at-Arms to lock all other doors leading from the Hall, and stated that no

member would be permitted to leave the Hall without written permission from the Speaker.

On motion of Mr. McCombs, the Sergeant-at-Arms was instructed to bring in all members within the city who are not ill.

Mr. Purl moved that the call of the House be extended until 6:30 o'clock p. m. today.

Yeas and nays were demanded, and the motion prevailed by the following vote:

Yeas—72.

Ackerman.	McDonald.
Adkins.	Metcalf.
Albritton.	Minor.
Allred.	Mosely.
Anderson.	Mullally.
Avis.	Murphy.
Baker.	Negley.
Baldwin.	Olsen.
Bateman.	Palmer.
Beck.	Pavlica.
Bounds.	Petsch.
Brice.	Pope of Jones.
Duvall.	Pope of Nueces.
Enderby.	Purl.
Farrar.	Quinn.
Finlay.	Reader.
Fuchs.	Richardson.
Gates.	Riley.
Graves	Sanders.
of Williamson.	Shaver.
Graves of Erath.	Shelton.
Hardy.	Sherrill.
Harman.	Sinks.
Harrison.	Snelgrove.
Hines.	Speck.
Hopkins.	Storey.
Johnson of Smith.	Tarwater.
Kayton.	Turner.
Keeton.	Veatch.
Keller.	Warwick.
Kennedy.	Webb.
Kincaid.	West.
Long of Wichita.	Westbrook.
Loy.	Williams
Mankin.	of Sabine.
Martin.	Williams
McCombs.	of Travis.

Nays—44.

Barnett.	Forbes.
Bond.	Gilbert.
Bradley.	Harding.
Brooks.	Harper.
Carpenter.	Heaton.
Chastain.	Holder.
Coltrin.	Hubbard.
Cox of Lamar.	Johnson
Cox of Limestone.	of Dallam.
Dunlap.	Johnson
Eickenroht.	of Dimmit.

Johnson of Scurry.	Nicholson.
Jones.	Pool.
Justiss.	Ray.
Kemble.	Renfro.
Kinnear.	Rogers.
Land.	Savage.
Lee.	Simmons.
Lemens.	Tillotson.
Marks.	Van Zandt.
Mauritz.	Waddell.
McGill.	Wallace.
Montgomery.	Walters.
Morse.	

Present—Not Voting.

Wiggs.

Absent.

Acker.	Moore.
Davis.	O'Neill.
DeWolfe.	Patterson.
Giles.	Reid.
Hefley.	Rountree.
Hogg.	Stephens.
Hornaday.	Stevenson.
Jenkins.	Thompson.
King.	Williams
Magee.	of Hardin.
Maynard.	Woodruff.
Mehl.	Young.

Absent—Excused.

Conway.	Long of Houston.
Ewing.	McKean.
Finn.	Prendergast.
Kenyon.	Strong.

Mr. Morse moved that the House adjourn until 9:30 o'clock a. m. tomorrow.

Yeas and nays were demanded, and the motion was lost by the following vote:

Yeas—54.

Allred.	Holder.
Baker.	Johnson
Baldwin.	of Dallam.
Barnett.	Johnson
Bradley.	of Dimmit.
Brooks.	Johnson of Smith.
Chastain.	Johnson of Scurry.
Coltrin.	Justiss.
Cox of Lamar.	Keeton.
Cox of Limestone.	Kemble.
Davis.	Land.
DeWolfe.	Lee.
Enderby.	Lemens.
Eickenroht.	Loy.
Forbes.	Magee.
Gilbert.	Martin.
Harding.	Mauritz.
Harper.	McGill.
Harrison.	Morse.
Hines.	Mullally.
Hogg.	Nicholson.

Petsch.	Turner.
Pool.	Van Zandt.
Pope of Jones.	Waddell.
Ray.	Wallace.
Rountree.	Wiggs.
Savage.	Williams
Simmons.	of Hardin.
Tillotson.	

Nays—67.

Ackerman.	Moore.
Adkins.	Mosely.
Albritton.	Murphy.
Anderson.	Negley.
Avis.	Olsen.
Bateman.	Palmer.
Beck.	Pavlica.
Bond.	Pope of Nueces.
Bounds.	Quinn.
Brice.	Reader.
Carpenter.	Renfro.
Duvall.	Riley.
Farrar.	Rogers.
Finlay.	Shaver.
Fuchs.	Shelton.
Gates.	Sherrill.
Giles.	Sinks.
Graves	Snelgrove.
of Williamson.	Speck.
Graves of Erath.	Stephens.
Hardy.	Stevenson.
Heaton.	Storey.
Hopkins.	Tarwater.
Jenkins.	Thompson.
Jones.	Veatch.
Kayton.	Walters.
Keller.	Warwick.
Kennedy.	Webb.
Kincaid.	West.
King.	Westbrook.
Mankin.	Williams
McCombs.	of Travis.
McDonald.	Woodruff.
Metcalf.	Young.
Minor.	

Present—Not Voting.

Marks.

Absent.

Acker.	Montgomery.
Dunlap.	O'Neill.
Harman.	Patterson.
Hefley.	Purl.
Hornaday.	Reid.
Hubbard.	Richardson.
Kinnear.	Sanders.
Long of Wichita.	Williams
Maynard.	of Sabine.
Mehl.	

Absent—Excused.

Conway.	Long of Houston.
Ewing.	McKean.
Finn.	Prendergast.
Kenyon.	Strong.

Mr. Keller moved a call of the House for the purpose of maintaining a quorum pending consideration of the substitute and the amendment, and the call was duly seconded.

Question recurring on the motion for the call of the House, yeas and nays were demanded.

The motion prevailed by the following vote:

Yeas—83.

Ackerman.	McGill.
Adkins.	Metcalf.
Albritton.	Minor.
Avis.	Moore.
Baker.	Mosely.
Baldwin.	Mullally.
Bateman.	Murphy.
Beck.	Negley.
Bond.	Olsen.
Bounds.	Palmer.
Brice.	Patterson.
Coltrin.	Pavlica.
Cox of Lamar.	Pope of Jones.
Duvall.	Pope of Nueces.
Enderby.	Quinn.
Farrar.	Reader.
Finlay.	Renfro.
Fuchs.	Rogers.
Gates.	Sanders.
Graves	Shaver.
of Williamson.	Shelton.
Graves of Erath.	Sherrill.
Hardy.	Sinks.
Harman.	Snelgrove.
Harper.	Speck.
Harrison.	Stephens.
Heaton.	Stevenson.
Hines.	Storey.
Hopkins.	Tarwater.
Jenkins.	Thompson.
Johnson of Smith.	Turner.
Johnson of Scurry.	Van Zandt.
Justiss.	Veatch.
Kayton.	Warwick.
Keller.	Webb.
Kennedy.	West.
King.	Williams
Lee.	of Hardin.
Mankin.	Williams
Marks.	of Travis.
Mauritz.	Woodruff.
McCombs.	Young.
McDonald.	

Nays—39.

Allred.	DeWolfe.
Anderson.	Eickenroht.
Barnett.	Forbes.
Bradley.	Gilbert.
Brooks.	Harding.
Carpenter.	Hogg.
Chastain.	Holder.
Cox of Limestone.	Johnson
Davis.	of Dallam.

Johnson
of Dimmit.
Jones.
Keeton.
Kemble.
Kincaid.
Land.
Lemens.
Loy.
Martin.
Morse.
Nicholson.

Petsch.
Pool.
Ray.
Riley.
Savage.
Simmons.
Tillotson.
Waddell.
Wallace.
Walters.
Westbrook.
Wiggs.

Absent.

Acker.	Mehl.
Dunlap.	Montgomery.
Giles.	O'Neill.
Hefley.	Purl.
Hornaday.	Reid.
Hubbard.	Richardson.
Kinnear.	Rountree.
Long of Wichita.	Williams
Magee.	of Sabine.
Maynard.	

Absent—Excused.

Conway.	Long of Houston.
Ewing.	McKean.
Finn.	Prendergast.
Kenyon.	Strong.

The Speaker then directed the Door-keeper to close the main entrance to the Hall, and instructed the Sergeant-at-Arms to lock all other doors leading from the Hall, and stated that no member would be permitted to leave the Hall without written permission from the Speaker.

Mr. Hopkins moved to table the substitute amendment by Mr. Petsch.

Question then recurring on the motion to table, yeas and nays were demanded.

The motion to table prevailed by the following vote:

Yeas—76.

Ackerman.	Fuchs.
Adkins.	Gilbert.
Albritton.	Giles.
Allred.	Graves
Anderson.	of Williamson.
Avis.	Graves of Erath.
Baker.	Hardy.
Bateman.	Harding.
Beck.	Harman.
Bounds.	Heaton.
Brice.	Hines.
Carpenter.	Hopkins.
Duvall.	Jenkins.
Enderby.	Johnson of Smith.
Farrar.	Kayton.
Finlay.	Keller.

Kennedy.	Rogers.
King.	Sanders.
Kinnear.	Shaver.
Lemens.	Sherrill.
Long of Wichita.	Sinks.
Mankin.	Snelgrove.
Marks.	Stephens.
McCombs.	Stevenson.
McDonald.	Storey.
Minor.	Tarwater.
Moore.	Thompson.
Mosely.	Tillotson.
Mullally.	Turner.
Murphy.	Veatch.
Negley.	Walters.
Olsen.	Webb.
Palmer.	Wiggs.
Patterson.	Williams
Pavlica.	of Sabine.
Pope of Nueces.	Williams
Quinn.	of Hardin.
Reader.	Woodruff.
Renfro.	Young.
Richardson.	

Nays—52.

Mr. Speaker.	Land.
Baldwin.	Lee.
Barnett.	Loy.
Bradley.	Martin.
Brooks.	Mauritz.
Chastain.	McGill.
Coltrin.	Metcalfe.
Conway.	Nicholson.
Cox of Lamar.	Petsch.
Cox of Limestone.	Pool.
Davis.	Pope of Jones.
DeWolfe.	Purl.
Dunlap.	Ray.
Forbes.	Riley.
Harper.	Rountree.
Harrison.	Savage.
Hogg.	Shelton.
Holder.	Simmons.
Johnson	Speck.
of Dallam.	Van Zandt.
Johnson	Waddell.
of Dimmit.	Wallace.
Johnson of Scurry.	Warwick.
Jones.	West.
Justiss.	Westbrook.
Keeton.	Williams
Kemble.	of Travis.
Kincaid.	

Present—Not Voting.

Bond.	Gates.
Eickenroht.	Morse.

Absent.

Acker.	Maynard.
Hefley.	Mehl.
Hornaday.	Montgomery.
Hubbard.	O'Neill.
Magee.	Reid.

Absent—Excused.

Ewing.	McKean.
Finn.	Prendergast.
Kenyon.	Strong.
Long of Houston.	

Paired.

Mr. Eickenroht (present), who would vote "yea," with Mr. Hornaday (absent), who would vote "nay."

Mr. Gates (present), who would vote "yea," with Mr. Montgomery (absent), who would vote "nay."

Mr. Bond (present), who would vote "yea," with Mr. Hubbard (absent), who would vote "nay."

Mr. Morse (present), who would vote "nay," with Mr. Acker (absent), who would vote "yea."

Mr. Pope of Nueces moved to reconsider the vote by which the amendment was tabled, and to table the motion to reconsider.

The motion to table prevailed.

Mr. Pope of Nueces moved to table the amendment by Mr. Beck.

Yeas and nays were demanded, and the motion to table prevailed by the following vote:

Yeas—80.

Ackerman.	Justiss.
Adkins.	Kayton.
Albritton.	Keller.
Allred.	Kennedy.
Anderson.	King.
Avis.	Kinnear.
Baker.	Lemens.
Bateman.	Long of Wichita.
Beck.	Magee.
Bounds.	Mankin.
Brice.	Marks.
Carpenter.	McCombs.
Duvall.	McDonald.
Enderby.	Minor.
Eickenroht.	Moore.
Farrar.	Mosely.
Finlay.	Mullally.
Fuchs.	Murphy.
Gilbert.	Negley.
Giles.	Olsen.
Graves	Palmer.
of Williamson.	Patterson.
Graves of Erath.	Pavlica.
Hardy.	Pope of Nueces.
Harding.	Quinn.
Harman.	Reader.
Heaton.	Renfro.
Hines.	Richardson.
Hopkins.	Rogers.
Jenkins.	Sanders.
Johnson	Shaver.
of Dallam.	Sherrill.

Sinks.	Webb.
Snelgrove.	Wiggs.
Stephens.	Williams
Stevenson.	of Sabine.
Storey.	Williams
Tarwater.	of Hardin.
Thompson.	Williams
Tillotson.	of Travis.
Turner.	Woodruff.
Veatch.	Young.
Walters.	

Nays—47.

Mr. Speaker.	Land.
Baldwin.	Lee.
Barnett.	Loy.
Bradley.	Martin.
Brooks.	Mauritz.
Chastain.	McGill.
Coltrin.	Metcalf.
Conway.	Nicholson.
Cox of Lamar.	Petsch.
Cox of Limestone.	Pool.
Davis.	Pope of Jones.
DeWolfe.	Purl.
Forbes.	Ray.
Harper.	Riley.
Harrison.	Rountree.
Hogg.	Savage.
Holder.	Shelton.
Johnson	Simmons.
of Dimmit.	Speck.
Johnson	Van Zandt.
of Dallam.	Waddell.
Johnson of Scurry.	Wallace.
Jones.	Warwick.
Keeton.	West.
Kemble.	Westbrook.
Kincaid.	

Present—Not Voting.

Bond.	Morse.
Gates.	
Absent.	
Acker.	Maynard.
Dunlap.	Mehl.
Hefley.	Montgomery.
Hornaday.	O'Neill.
Hubbard.	Reid.

Absent—Excused.

Ewing.	McKean.
Finn.	Prendergast.
Kenyon.	Strong.
Long of Houston.	

Paired.

Mr. Gates (present), who would vote "yea," with Mr. Montgomery (absent), who would vote "nay."

Mr. Bond (present), who would vote "yea," with Mr. Hubbard (absent), who would vote "nay."

Mr. Morse (present), who would vote

"nay," with Mr. Acker (absent), who would vote "yea."

Reason for Vote.

We vote "aye" to table this amendment, which was sent up by us because by so doing we voice our true sentiments. The amendment was sent up by us for the purpose of forcing a vote on the issue of relocation before the House became divided upon other issues of less importance.

McCOMBS,
BECK.

Mr. Kayton moved to reconsider the vote by which the amendment was tabled, and to table the motion to reconsider.

The motion to table prevailed.

Mr. Tillotson offered the following amendment to the bill:

I offer the following amendment to House bill No. 2:

Strike out all after the enacting clause and insert the following:

Section 1. The Texas Prison Board is hereby empowered and directed to formulate plans for the reorganization and centralization of the prison system, and for the more efficient control and operation of the system, in pursuance of the policies declared and authorized in this act.

Sec. 2. It is hereby declared the policy of the State that the prison system be divided into two units, the agricultural unit, and the industrial unit, which industrial unit shall include all miscellaneous employments, with such provisions for employments in connection with, or as a part of, each unit as experience and conditions are found to make advisable.

Sec. 3. The agricultural unit shall be established upon the Ramsey Farm and the Darrington Farm of the prison system, with such additional contiguous lands as the Prison Board may recommend as necessary to the more efficient operation of the prison system, and as shall be authorized to be acquired by the Legislature.

Sec. 4. The industrial unit of the prison system shall be located upon a tract of land not exceeding seven thousand five hundred (7,500) acres, and at such place as the Legislature may determine; such location to include suitability for a limited extent of intensive farm operations, with facilities for irrigation; for the maintenance of a

dairy farm of such extent as the Prison Board may deem advisable; and shall contain lands upon which are located rock and gravel for the employment of prison labor in preparing crushed rock and gravel for the use of the State in the construction and maintenance of State highways, and for the sale of such materials to all political subdivisions of the State. The location of such tract of land for the industrial unit shall also be suitable to the establishment of all such manufacturing enterprises as are herein generally authorized, whether specifically enumerated or not, as and when the Prison Board may determine it to be advisable to establish such manufacturing enterprises and employments in the efficient and economical operation of the prison system, and for which enterprises funds are available, and which it is not found most advantageous to establish and operate in connection with the agricultural unit. An industrial unit prison system locating commission is hereby created, composed of the members of the Texas Prison Board and four members of the Senate of Texas, to be appointed by the President of the Senate, and five members of the House of Representatives, to be appointed by the Speaker of the House, whose duty it shall be to select a site for the establishment of the industrial unit of the prison system herein authorized and certify such selection to the Secretary of State. The said locating commission shall file its report with the Secretary of State not later than December 31, 1930.

Expenses of the legislative members of the commission shall be paid from the funds available to the operation of the prison system.

Sec. 5. Upon the agricultural unit of the prison system, it shall be the duty of the Board to employ the negro and Mexican inmates of the State prison, with such number of white prisoners as may be found advisable for the efficient operation of the said unit, provision to be made in the construction of buildings of the unit for the segregation of races; and it shall be the policy of the Prison Board to give first consideration in all prison farm operations to the production of all those articles of food necessary to and customarily purchased for the support of the State prisoners, and for the consumption and support of the inmates of all State eleemosynary institutions, that it may be found prac-

ticable and profitable to produce, together with such manufacturing facilities as may be essential to the preparation and preservation of such products for the use of the prison system and the State institutions.

Sec. 6. Upon the industrial unit there shall be made adequate provision for the necessary walls, buildings and housing accommodations of all white State prisoners, except the number whose services may be required in connection with the operation of the agricultural unit; and the Prison Board shall be empowered to have all adequate buildings erected for the conduct of authorized manufacturing employments.

Sec. 7. All buildings erected for the accommodation of the State prisoners on the two units designated shall be of concrete construction, fireproof throughout and of sanitary design, and so designed that necessary additions and extensions may be built with the minimum of cost.

Sec. 8. In the concentration and reorganization of the prison system it shall be the duty of the Prison Board to proceed first with the construction of buildings and facilities upon the farm properties designated as the location of the agricultural unit, as providing for the more efficient employment of the greatest number of State prisoners, and as releasing at the earliest practicable date the largest acreage of land and calculated to reduce the cost to the State of prison concentration and reorganization; with the inauguration of construction upon the industrial unit at such time as funds may be made available through appropriations from the general revenues or from the sales of prison properties.

Sec. 9. The Texas Prison Board, in the reorganization of the prison system, shall undertake, in the manner and to the extent experience and available funds suggest and permit, to provide for the utilization of prison labor in varying useful employments, and particularly in those directions which are calculated to produce food supplies and necessities for the support, use and convenience of all inmates of the State prison, and supply all foodstuffs and other products and articles required for inmates of the eleemosynary institutions of the State; it being the express intent of the State in the reorganization of the State prison system to employ the State prisoners in those operations

and activities that are directly calculated to reduce the cost of State supplies and the expenditure of State funds for products and articles that are necessary to the support of the State prison system and the support of the eleemosynary institutions, and as far as may be practicable advantageous to the operation of other State departments and institutions; such employments of prison labor to include all those manufacturing enterprises found practicable, such as clothing and all wearing apparel, furniture and fixtures, woodworking plants, metal devices, appliances and utensils, and other articles required in the conduct of the prison system or in the support and operation of any institution or department of the State government.

Sec. 10. The State Board of Control is hereby authorized to make contracts with the Texas Prison Board for the purchase of all food products, supplies, materials, articles and equipment of every kind and character that it may be found practicable for the prison system to advantageously produce and supply for use by other State institutions, and any and all other agricultural or manufactured products, or services of labor for use of the State in connection with the maintenance and operation of any of its public works, departments, commissions, boards, offices or eleemosynary or educational institutions, including any and all supplies, equipment and material, and all labor, required or used by the State under the direction of the Board of Control; and the State Highway Department is authorized to contract with the State Prison Board for the manufacture, sale and delivery to it of cement or other materials and for labor necessary to the construction and maintenance of State highways.

Sec. 11. In the event the State, in the development and maintenance of a State system of highways, shall provide for the operation of quarries and gravel pits in different parts of the State accessible to road construction and maintenance work in the several sections of the State, the Prison Board shall be empowered to provide for the employment of State prisoners in such work under such conditions as may be deemed equitable; and the Prison Board may provide for the employment of State prisoners in any form of State highway work deemed advantageous to the public service and to the more efficient operation of the prison system.

Sec. 12. To accomplish the concentration and reorganization of the prison system, the prison properties not designated as retained for the use of the system shall be sold at such times as the progress of construction of necessary buildings upon the new units may permit and as the Prison Board may determine most advantageous to the employment and accommodation of the prison inmates. All lands and properties of the prison system shall be appraised by an appraisal board composed of the members of the Texas Prison Board, the Attorney General of the State, the Commissioner of the General Land Office and the Commissioner of Agriculture, which appraisal board shall fix minimum prices upon the several properties divided into tracts of not less than eighty (80) acres and not more than five hundred (500) acres to any one purchaser. All such lands as the appraisal board may determine unsuited to cultivation as farm lands may be sold in bodies not to exceed one thousand (1,000) acres to any one purchaser, except that the Shaw Farm may be sold as a body. When the said appraisal board shall have certified their valuations upon the several properties, with a recommendation of the manner of subdivisions, to the Secretary of State, such properties shall be subject to sale at not less than the valuations indicated for each such tract; and such lands may be sold as the Prison Board may direct their disposal, and in the manner and under the conditions herein set forth.

Sec. 13. All lands and properties of the State prison system may be sold by the Prison Board at such time and in such manner and in such order of sales as in the judgment of the Prison Board the progress of centralization of the prison system shall justify, and upon such terms and conditions as may appear most advisable; and all such sales shall be ordered in such manner as shall permit of the provision of necessary funds in concentration and reorganization to enable the Prison Board to provide as largely as may be for the cost of such concentration and reorganization from the revenues derived from the sale of such property. The Prison Board is hereby authorized, if found advisable, to negotiate for the transfer of any vendor's lien notes received for deferred payment upon land sold, such notes to be transferred by

indorsement of the chairman of the Prison Board upon specific authority therefor, entered upon the official minutes of the prison system, and all such sums received from the sale and transfer of such notes shall be deposited in the State prison system land and building account. Provided, the land in Huntsville, Walker county, upon which the prison buildings now stand, shall be transferred by the Prison Board to the Sam Houston Teachers College for the uses of that institution.

Sec. 14. The lands as they come upon the market, as herein provided, shall be sold in the order of priority of application to the highest bidder, upon payment of not less than 15 per cent of the purchase price, with interest at the rate of 5 per cent per annum, and the payment of one-fifteenth (1-15) part of the remainder of the purchase price each year. The State shall retain a vendor's lien to protect all deferred payments and shall reserve the right to remove prison buildings and improvements. All deeds to said lands shall be executed and acknowledged by the Texas Prison Board and the Governor of the State; and in addition to the vendor's lien, each deed shall retain to the State of Texas fifteen-sixteenths (15-16) of the mineral rights in the lands conveyed therein; and the further right upon the part of the State to contract for the sale, lease, production and development of said minerals, with the right of ingress and egress in exploring for, developing, producing, saving and marketing said minerals, and for the placing of pipe lines, machinery and all other appliances and appurtenances necessary thereto. The purchaser of the fee to the surface of any such lands shall hold the one-sixteenth (1-16) of the minerals free from all liens or encumbrances, and the State shall require, in every grant of authority to enter upon and prospect for or develop minerals on such lands, that the said purchasers be protected from loss through such entry and operation, and that he be compensated for any damage to the land purchased in its usefulness for ordinary employment, or for any loss of crops or improvements or customary and rightful utilization of the land and premises.

Sec. 15. Sales of the State prison lands shall be made through the office of the Commissioner of the General Land Office and be in accordance with

the procedure provided for other lands of the State, except as otherwise provided herein, and all funds derived from such sales, or from interest accruing upon deferred payments, shall be credited to the State prison system land and building account; and all moneys paid into such account shall be available to the Texas Prison Board for the construction of prison buildings, the purchase of prison system equipment and the acquisition of lands authorized to be purchased. Said fund shall be paid out by the State Treasurer upon warrants drawn by the Comptroller against said account, as other expenditures of the Prison Board are made. And the proceeds of sale of all prison system lands, whether from such sales, or the sale of vendor's lien notes, as herein authorized, shall be held to be hereby appropriated to the purposes of prison system concentration and reorganization, to be expended through the State prison system land and building account.

Sec. 16. Title to all lands purchased for the State prison system, or that may be acquired by exchange as herein authorized, shall be approved by the Attorney General and title to all such lands shall be taken in the name of and to the State of Texas. In the acquisition of lands for the use of the prison system, the Prison Board is directed to arrange such conditions of payment as will permit of the payment therefor from (1) the proceeds of the sale of lands of the prison system, whether cash or vendor's lien notes; (2) and/or by the exchange of prison lands therefor; (3) and/or with such funds as may be provided therefor and made available by the Legislature.

Sec. 17. The Prison Board shall be authorized to effect exchanges of prison system lands for other lands useful for prison system purposes and so located as to fulfill the requirements of the concentration of the prison system, upon the basis of certified valuations of such other lands by the board of appraisal herein authorized.

Sec. 18. The Prison Board shall select and recommend to the Forty-second Legislature a location for a mill for the manufacture of cement, to have such capacity and equipment as may be estimated to be essential for the production of the cement required in the construction of the prison buildings upon and in connection with the two

units of the prison system herein authorized and as may be estimated necessary for use in the repairing of and additions to the State's eleemosynary institutions.

Sec. 19. Quarterly reports shall be made to the Governor by the Prison Board of all property sold or acquired under the authority herein provided for, together with a report of all contracts made for the construction of buildings for the two prison units authorized, and of all special activities and employments of State prisoners, and purchases of or provision made for, manufacturing or other prison system activities.

Sec. 20. The sum of two hundred and fifty thousand dollars (\$250,000) is hereby appropriated for the remainder of the fiscal year ending August 31, 1930, and two hundred and fifty thousand dollars (\$250,000) is hereby appropriated for the fiscal year of this biennium beginning September 1, 1930, and ending August 31, 1931, to be made available for the purpose of purchase of building materials and equipment and other expenditures necessary in the construction of buildings, the concentration of the prison system, and for the advancement of a policy of prison reorganization herein authorized. Such funds shall be expended under the direction of the Prison Board and be paid out as are other expenditures by the Board. And it is hereby declared the policy of the State to make successive appropriations from the general revenue from and after the fiscal year beginning September 1, 1931, in any sum not exceeding five hundred thousand dollars (\$500,000) a year deemed necessary to supplement the funds derived from the sale of prison system lands, for the most judicious advancement of the plans for prison system concentration and reorganization.

Sec. 21. The Texas Prison Board shall, as a part of the reorganized prison system, establish a prison reformatory in connection with the industrial unit, and shall provide for its control and operation under necessary regulations formulated in pursuance of the provisions of this act and of the State prison code.

Sec. 22. Any prisoner sentenced to the State prison who is not more than 24 years of age on the date of his registration at the State prison and who is serving under conviction for a first offense for a period not exceeding five

years, or who may have been sentenced under the indeterminate sentence law, shall be eligible to be placed in the State prison reformatory. Provided, that in the discretion of the Prison Board one convicted of a second offense may be placed in such reformatory.

Sec. 23. The Prison Board shall provide such buildings and equipment of the prison system for such prison reformatory purposes as may be deemed necessary, and shall provide from funds of the State prison system, or from funds appropriated by the State for the purpose, for the administration and operation of the prison reformatory; and shall provide for teaching illiterates to read and write; shall provide for reasonable instruction in moral standards of living and responsibilities of citizenship, and shall provide as far as found practicable, for giving to each of such white prisoners an elementary training in some trade or occupation or form of employment calculated to enable the person receiving it to successfully maintain himself after the expiration of his term of service; and to this end may establish such manufacturing and other enterprises as shall be found practical and useful to the purpose. And the Board shall provide separately for similar consideration and for the segregation of employment of the negro and Mexican prisoners under the age of 24 years.

Sec. 24. The same credits allowed on the term of service of other State prisoners under the provisions of the prison code shall be recognized in computing the term of service of those placed in the reformatory. And the Prison Board shall employ a superintendent of the prison reformatory, with qualifications of training and experience for the duties of directing the operation and immediate supervision of the said reformatory, and shall select and employ teachers and technical instructors and attendants as may be necessary, and provide for their payment from prison revenues, or from funds provided for the purpose.

Sec. 25. The Texas Prison Board shall use all reasonable diligence in providing for the establishment of a service of assisting those State prisoners released from the prison reformatory with satisfactory records of discipline and intelligent labor in securing forms of employment adapted to their training and abilities, and make reasonable

diligent effort to encourage such former prisoners to retain regular employment and conduct themselves properly and be self-supporting and law-abiding citizens.

Sec. 26. This act shall be held cumulative of all laws on this subject, and shall not be construed as repealing any other law or provisions of law, except where its provisions are in express conflict with such law or provisions of law; and if any provision of this act shall be held ineffective, it is hereby declared the legislative intent that such determination shall not affect other provisions of the act.

Sec. 27. The fact that the scattered locations of prison system properties renders the efficient operation of the State prison system impracticable, unduly and unnecessarily increases the costs of maintenance and administration, prevents the effective organization and utilization of productive prison labor, and increases rather than diminishes the difficulties of control and the maintenance of essential discipline in the prison system, which undesirable, unfortunate and expensive conditions of the prison system may be corrected in very great measure through the concentration of the prison system properties and the reorganization of prison system activities, creates an emergency and an imperative public necessity, demanding that the constitutional rule requiring measures to be read upon three several days in each house be suspended, and the same is hereby suspended, and that this act take effect and be in force from and after its passage, and it is so enacted.

Mr. Young offered the following substitute for the amendment by Mr. Tillotson:

Substitute amendment for House bill No. 2, by striking out all below the enacting clause and substituting therefor the following:

Section 1. The Texas Prison Board is hereby empowered and directed to begin immediately the centralization of the Texas prison system upon the Imperial Farm in Fort Bend county, which centralization shall mean the construction of adequate walls, cell blocks and administration, industrial and other buildings necessary to a modern prison headquarters, together with such other improvements and facilities needed in a modern prison headquarters for the proper and safe confinement and advantageous handling and employment of

prisoners located upon this and such other farms as the prison system may occupy and operate under this and other laws governing the prison system. The plan of improvements finally adopted by the Prison Board shall be such that units may be added as they are needed and as the State is able to pay, so that upon the completion of the plan started a modern and adequate prison headquarters will result.

Sec. 2. The Texas Prison Board shall adopt the most feasible plan in the construction of the new plant, so that the business of the system will be disturbed as little as possible during the transaction. They shall designate the order to be followed in the construction of the buildings and improvements to be erected upon the Imperial Farm. So far as experience and good management will permit, prison labor shall be utilized in the construction of the new headquarters, to the end that the finished plant will be built as economically as possible to the State. Temporary quarters to house and accommodate prisoners and officials while permanent buildings are under construction may be authorized and constructed by the Prison Board.

Sec. 3. The Prison Board is hereby authorized and directed to use all proper means toward salvaging the property of the State now located in Huntsville, Texas, which is to be abandoned upon the removal of the prisoners therefrom, and such material as may be in such condition as can be used in the construction of the walls and buildings to be constructed upon the Imperial Farm shall be used for said purpose.

Sec. 4. As the facilities of the new headquarters are completed, the plant at Huntsville shall be abandoned, which is to be done under the direction of the Prison Board, and as soon as the walls and necessary facilities for the accommodation of the administrative officials and the prisoners are completed, the Prison Board shall remove the offices and prisoners now situated in Huntsville, Walker county, Texas, to the newly constructed plant. Nothing herein contained shall be construed as a limitation upon the powers of the Prison Board to handle prisoners as provided by general law.

Sec. 5. The Prison Board shall advertise for sale, receive bids for and contract for the sale of the Shaw Farm in Bowie county, Texas, under such

rules and regulations and at such times as the Prison Board shall determine, reserving to themselves the power to reject any and all bids not acceptable to them. It is mandatory one-half of all mineral rights in and under said land shall be and is hereby reserved to the State. The land in the town of Huntsville, in Walker county, Texas, and the farm lands in Walker and Madison counties, Texas, shall be disposed of in such manner as the Legislature may hereafter direct, and until such direction by the Legislature the farm lands that are now used for farming purposes shall continue to operate as such. All proceeds arising from any sale under this act shall be deposited in the State Treasury to the credit of the general revenue.

Sec. 6. If the Prison Board shall conclude that additional lands are necessary for the efficient operation of the prison system as the same is concentrated as herein directed, the Prison Board shall report such necessity for such additional lands to the Legislature, together with the description of such lands and all other facts of kind, character, quality and location of such lands and their proximity to the concentrated prison system as provided herein, together with the prices at which such lands are offered to the State; said report shall be in writing and signed by at least three-fourths of said Prison Board, and no lands shall be purchased by said Prison Board until the Legislature shall direct such purchase and the price and terms thereof by a bill regularly passed by the Legislature and approved by the Governor of the State.

Sec. 7. When the Prison Board shall decide that any properties now owned by the prison system are no longer needed for the accommodation and employment of the State prisoners, said Prison Board shall report such decisions to sell such land to the Legislature and, if the Legislature shall approve such report, the Legislature shall direct such sales as herein provided by a bill regularly passed, and such lands shall not be sold until the Legislature directs said sale by such bill.

Sec. 8. The Board of Control is hereby authorized to make contracts with the State Prison Board for the purchase of supplies, equipment and materials for use by other State institutions, including food, supplies, clothing, shoes, metal utensils and appliances, furniture and fixtures, and any and all

other supplies or agricultural or manufactured products, bookbinding, printing and stationery, rock crushing or other labor for use of the State in any of its departments, commissions, boards, offices or eleemosynary or educational institutions, including any and all supplies, equipment, material or labor purchased or used by or for the State, under the direction of the Board of Control. And the Highway Department is authorized to contract with the State Prison Board for the manufacture, sale and delivery of cement and other materials and labor for use in the construction and maintenance of State highways and highway appurtenances.

Sec. 9. The plan of the Texas Prison Board shall provide for the establishment and operation, in connection with such concentrated prison system, a prison reformatory, and the Prison Board shall provide for its control and operation under regulations made in pursuance of the provisions of this act and of the State prison code.

Sec. 10. Any prisoner sentenced to the State prison who is not more than 25 years of age on the date of his registration at the State prison, and who is serving under a conviction for a first offense, and for a period not exceeding five years, or who may have been sentenced under the indeterminate sentence law, shall be eligible to be placed in the State prison reformatory. Provided, that in the discretion of the Prison Board, one convicted of a second offense may be placed in such reformatory.

Sec. 11. The State Prison Board shall provide such buildings and equipment of the prison system for such prison reformatory purposes as may be deemed necessary, and shall provide from funds of the State prison system, or from funds appropriated by the State for the purpose, for the administration and operation of the prison reformatory; and shall provide for teaching illiterates to read and write; shall provide for reasonable instructions in moral standards of living and responsibilities of citizenship, and shall provide, as far as found practicable, for giving to each of such prisoners an elementary training in some trade or occupation or form of employment calculated to enable the person receiving it to successfully support himself after the expiration of his term of service; and to this end may establish such manufacturing and other

enterprises as shall be found practical and useful to the purpose. The Board may provide a unit of the prison farm system for the segregation and employment of the negro and Mexican prisoners under the age of 25 years.

Sec. 12. The same credits allowed on the term of service of other State prisoners under the provisions of the prison code shall be recognized in computing the term of service of those placed in the reformatory. The Prison Board shall employ a superintendent of the prison reformatory with qualifications of training and experience for the duties of directing the operation and immediate supervision of the said reformatory, and shall select and employ such teachers and technical instructors and attendants as may be necessary and provide for their payment from the prison revenue or from funds provided for the purpose.

Sec. 13. The Texas Prison Board shall use all reasonable diligence in providing for the establishment of a service of assistance to those State prisoners released from the prison reformatory with satisfactory records of discipline and intelligent labor in securing forms of employment adapted to their training and abilities, and make reasonably diligent effort to encourage such former prisoners to obtain regular employment and conduct themselves properly and be self-supporting and law-abiding citizens.

Sec. 14. The sum of two hundred and fifty thousand dollars (\$250,000) is hereby appropriated out of the general revenue of the State, not otherwise appropriated, to be made available for the salvaging and removal of all available property and materials as provided for in this act, and for the purchase of materials necessary to begin the construction of walls, buildings and other equipment provided for in this act, and for any expense provided for herein. Such funds shall be expended under the direction of the Prison Board and be paid out as are other expenditures by the Board.

Sec. 15. All laws or parts of laws in conflict herewith are hereby repealed; and if any provision of this act shall be held ineffective, such finding shall not affect other provisions.

Sec. 16. The fact that the prison system of the State of Texas is now antiquated and scattered over a large portion of the State, which makes an eco-

nomical supervision of the same impractical in the interest of economy and the public good, creates an emergency and an imperative public necessity requiring the suspension of the constitutional rule that bills shall be read upon three several days in each house, and the same is hereby suspended, and that this act shall take effect and be in force from and after its passage, and it is so enacted.

PROPOSED AMENDMENT TO HOUSE BILL NO. 2.

On motion of Mr. Pope of Nueces, the following proposed amendment to House bill No. 2 was ordered printed in the Journal:

Section 1. The term Texas Prison Board as used in this act shall mean the Texas Prison Board as the same is now defined in the Acts of the Fortieth Legislature, page 298, Chapter 212, Section 3, or as same may be defined by amendment hereafter made to said act.

Sec. 2. The purpose of this act is to rehabilitate the Texas penitentiary system and to have in such system the following units: Headquarters division at Huntsville, Texas; Camp No. 1, to be located on the Harlem Farm; and Camp No. 2, to be located on the Imperial Farm in Fort Bend county, Texas; Camp No. 3, to be located on the Ramsey Farm; and Camp No. 4, to be located on the Darrington Farm in Brazoria county, Texas; Camp No. 5, to be located on the Eastham Farm in Houston county, Texas; Camp No. 6, to be located on the Ferguson Farm in Madison county, Texas; Camp No. 7, to be located on the Blue Ridge Farm in Harris and Fort Bend counties, Texas; Camp No. 8, to be located on the Retrieve Farm; and Camp No. 9, to be located on the Clemens Farm in Brazoria county, Texas.

Sec. 3. The Texas Prison Board is hereby empowered, authorized and directed to cut, saw, make, mine and manufacture such timber and materials as are necessary for the renovation, building and rebuilding of suitable houses, buildings, cells, walls and such other structures, accommodations and units as may be proper in carrying out the purpose and intent of this act in the manner and order as provided herein. The said Texas Prison Board, in carrying out the provisions of this act, shall use prison labor and shall purchase only such materials and equipment as cannot

be salvaged from present structures or made, mined or manufactured by the prison system.

Sec. 4. The Texas Prison Board is hereby ordered to rehabilitate the Texas prison system in the following places and in the following manner:

A. Headquarters division shall remain at Huntsville, Texas at the site of the present Huntsville penitentiary, and the said Texas Prison Board, in renovating, rebuilding and modernizing said headquarters division, shall salvage and use as far as possible all the buildings, walls, materials and improvements that are now located at such place, and shall have authority to buy additional land, with the approval of the Legislature, if necessary to extend the walls, so as to make the said division large enough to provide for the departments to be located at such headquarters division. The business office, the identification bureau and receiving station and the industrial section, composed of such factories as may be deemed profitable to operate by the said Texas Prison Board, shall be located at said headquarters division. A section of said headquarters division shall be set aside as a hospital and sufficiently equipped for the proper treatment of such prisoners as shall be confined therein. A section of said headquarters division shall be equipped and known as the criminal insane asylum, and all persons convicted of crime and found to be insane shall be placed therein. In connection with the headquarters division there shall be maintained and operated the Wynn Farm and Goree Farm for the purpose of taking care of the tubercular and the female prisoners and for growing vegetables and feedstuff and maintaining a dairy and stock farm thereon for the maintenance of the headquarters division so far as possible.

B. Camp No. 1 shall be located on the Harlem Farm and Camp No. 2 shall be located on the Imperial Farm in Fort Bend county, Texas, and said Camps 1 and 2 shall be developed as one unit, and these two camps shall be principally for white male prisoners.

C. Camp No. 3 shall be located on the Ramsey Farm and Camp No. 4 shall be located on the Darrington Farm in Brazoria county, Texas, and Camps 3 and 4 shall be developed as one unit and these two camps shall be principally for male negro prisoners.

D. Camp No. 5 shall be located on

the Eastham Farm in Houston county, Texas, and it shall be principally for white male prisoners.

E. Camp No. 6 shall be located on the Ferguson Farm in Madison county, Texas, and it shall be principally for white male prisoners.

F. Camp No. 7 shall be located on the Blue Ridge Farm in Harris county and Fort Bend county, Texas, and it shall be principally for white male prisoners.

G. Camp No. 8 shall be located on the Retrieve Farm and Camp No. 9 shall be located on the Clemens Farm in Brazoria county, Texas, and Camps 8 and 9 shall be developed as one unit, and these two camps shall be used principally for negro male prisoners.

H. The improvements now on said farm lands shall be rehabilitated and made fit for the purposes intended, and if the Texas Prison Board shall deem it necessary to construct additional housing accommodations for the prisoners such buildings shall be of concrete construction, fireproof throughout, and of sanitary design and so designed that necessary additions and extensions may be built with the minimum of cost.

Sec. 5. The Texas Prison Board is hereby ordered and directed to rehabilitate, renovate, modernize and improve the units of the Texas prison system enumerated above in the following order and manner:

Headquarters division shall be improved first and, if the appropriation hereby made is not sufficient, then so much thereof shall be rehabilitated, renovated, modernized and improved as the appropriation will build and the balance completed out of the second appropriation herein. Said camps, lettered respectively B, C, D, E, F, and G, to be next rehabilitated, renovated, modernized and improved in the order hereinabove lettered. In rehabilitating, renovating, modernizing and improving said prison properties, only the essentials and necessities shall be placed thereon. The intent of this law being to salvage and improve so far as possible the structures and improvements now on said prison lands and to adopt a substantial building program for new buildings and from time to time construct same as needed.

Sec. 6. During the rehabilitation, renovation, modernizing and improving of said prison properties, as herein authorized and provided for, said Texas

Prison Board shall have complete control of the treatment, feeding, clothing and management of the prisoners of said system as now provided by law, and said Board is authorized and directed, as herein provided, to use all the prison labor available for the making of said improvements. The pasture lands on said farms shall be enclosed with substantial fences separate from the lands of others, and such pasture lands used for grazing only the live stock and dairy cattle belonging to the prison system. A dairy of sufficient capacity shall be established and maintained at each camp to supply dairy products to prisoners and employes of such camps and for sale of the excess.

Sec. 7. The Texas Prison Board shall have the power, if there is a surplus of labor in the prison system, upon the written request of the Highway Department of this State and written recommendation of the Governor of the State to the Prison Board, to lease to the Highway Department for labor on the State highways only, a number of able-bodied prisoners for the purpose of building State highways; the labor of said prisoners to be paid for by said Highway Department at a price to be determined upon by said Board and Department; it being the duty of said Board to furnish proper and sufficient guards for the safekeeping of such convicts, and the duty of the Highway Department to furnish suitable and sanitary camps for the confinement and detention of such prisoners, at such Department's expense, while engaged in such work for such Department; the full control, welfare and keeping of such prisoners to continue to rest with the Prison Board.

Sec. 8. The Shaw Farm in Red River county, Texas, belonging to the prison system, may be sold by the Commissioner of the General Land Office of this State in the same manner as is provided by law for the sale of public free school lands of Texas; provided, however, that there shall be reserved to the said prison system at least one-eighth overriding royalty of all the gas, oil and other minerals in, on or under said lands. Until sold, said Shaw Farm shall be leased out subject to sale, as herein provided.

Sec. 9. The funds derived from the sale of prison land, as provided in Section 8, shall be placed in a special fund in the office of the State Treasurer and

shall be used by the Texas Prison Board in reconstructing and rebuilding and carrying out the purposes of this act, and such moneys are hereby especially appropriated only for such use.

Sec. 10. The Texas Prison Board shall have authority to use any of the prison properties in the manner in which they are now being used until sufficient money is available for the purpose of placing the plan outlined in this act into force and effect.

Sec. 11. The Texas Prison Board is hereby empowered and authorized to use the money herein appropriated and such other fund as may be appropriated from time to time for the purpose of draining and leveeing any of the prison overflow lands, provided that in the draining and leveeing of the same prison labor shall be used exclusively. The money appropriated herein may also be used for the purpose of buying implements and machinery to levee and maintain drainage ditches and levees on said lands. Such drainage and leveeing may be done before or after placing the improvements named herein on said camps.

Sec. 12. The Texas Prison Board may establish and, if found practicable, maintain within such system a plant or plants for the purpose of canning vegetables and other footstuffs, to be used by the State in the maintenance of its different eleemosynary institutions. Such canned products to be sold to the State at a fair price (such as may be deemed desirable) to be determined by the Board of Control and the Texas Prison Board of this State, and the price paid therefor to be paid into the prison system funds.

Sec. 13. The Prison Board shall have the power, and it is hereby authorized and directed, to use any prisoner, according to its judgment, in any position it sees fit and to put such prisoner at labor, within the walls, on the farms, or at any other place and labor such Board may be able to furnish such prisoner; and in this connection, said Board is empowered to utilize the labor of such prisoners in quarrying rock, crushing stone, concentrating gravel, sand and any other commodities or material that it might find desirable, and may furnish such material to any other State agency or department at a price to be determined by such State agency and the Texas Prison Board; and in this connection, the Texas Prison Board is empowered to enter into a contract

or contracts for the leasing of such quarries or other places necessary to the carrying on of such an industry.

Sec. 14. The Texas Prison Board shall demand a good and sufficient bond from any contractor operating hereunder with such conditions of performance, defalcation and delay as to it may seem best relative to the performance and/or durability of such contracted work, material, etc.

Sec. 15. The Texas Prison Board shall provide at its headquarters division for a tailor shop and properly equip the same for the purpose of eventually making and manufacturing all the clothing to be used and worn by all the State wards in all the State eleemosynary institutions, and all such goods manufactured for any other institution than such prison system shall be paid for, to such system, at a reasonable price, to be fixed by the Board of Control of this State.

Sec. 16. The Highway Department of this State is hereby directed, immediately after the establishment of such an industry, to annually contract with the Prison Board of this State for the manufacture of a sufficient supply of automobile license plates and seals, to be made and delivered when and as determined by said Department, at a price to be determined by the State Board of Control.

Sec. 17. The Prison Board is hereby directed and empowered to establish and maintain any industry, whether mentioned herein or not, that in its judgment can be successfully established and maintained by prison labor, and to an advantage to the State and the State institutions, and to that end said Board shall have the power to use and allot any of the herein contemplated buildings to be erected for any such purpose, whether built for such purpose or not.

Sec. 18. Quarterly reports shall be made to the Governor by the Texas Prison Board of all property sold or acquired under the authority herein provided for, together with a report of all contracts made for the construction of buildings for any of the purposes herein authorized, and of all special activities and employment of State prisoners, and purchases of or provisions made for manufacturing or other prison system activities.

Sec. 19. Adjacent to the city of

Madisonville, in Madison county, Texas, near the Ferguson Farm, are located large quantities of gypsum and clays suitable for the manufacture of brick, roof tile, hollow tile, sewer pipe and other clay products building materials. The Texas Prison Board is hereby empowered and directed to acquire, with the approval of the Legislature, for the Texas prison system, approximately 500 acres of said land, from which can be mined materials for the manufacture of brick, roof tile, hollow tile, sewer pipe and other clay products building materials, and establish on said land a prison owned and operated plant for the manufacture of said clay products. Said land shall be so situated as to make available for the use of said prison system adequate transportation facilities both by railway and highway, and said Texas Prison Board shall have the power to do any act necessary and required for the performance of any duty imposed or required in carrying out of the duties imposed upon it by this act; and shall have authority to call upon any institution or department of the State for assistance, aid or information in any manner pertaining to the said clay products plant, purchase of a site therefor, completion of said plant and the plans therefor, and all institutions and departments of the State of Texas are hereby required to furnish such aid and information as may be demanded by the said Board; if no offers of a clay products site at a price thought by the Board to be fair and reasonable, the said Board is hereby given the right of eminent domain as provided by law for railroads, and they may proceed to condemn any property desired in the manner as authorized by law in such cases. In connection with said clay products plant, the Texas Prison Board is hereby directed and empowered to establish and maintain any industry, whether mentioned herein or not, that in its judgment can be successfully established and maintained by prison labor and to an advantage to the State and the State institutions.

Sec. 20. In order to carry out the provisions of this act, there is hereby appropriated, out of any funds available and not otherwise appropriated, the sum of \$250,000 for the year of 1930 and the sum of \$250,000 for the year of 1931, to be paid out on vouchers properly signed by the chairman of the Texas Prison Board after being

audited and approved by order of the Texas Prison Board.

Sec. 21. This act shall be held cumulative of all laws on this subject, and shall not be construed as repealing any other law or provisions of law, except where its provisions are in express conflict with such law or provisions of law; and if any provision of this act shall be held ineffective, it is hereby declared the legislative intent that such determination shall not affect other provisions of the act.

Sec. 22. The fact that the penitentiary system of the State of Texas is in a deplorable condition creates an emergency and a public necessity that the constitutional rule requiring a bill to be read on three separate days be suspended, and the same is hereby suspended, and this act shall be in force and effect from and after its passage, and it is so enacted.

RECESS.

Mr. Hardy moved that the House recess until 10 o'clock a. m. tomorrow.

Mr. Kinnear moved that the House recess until 9:30 o'clock a. m. tomorrow.

The motion of Mr. Hardy prevailed, and the House accordingly, at 7:30 o'clock p. m., took recess to 10 o'clock a. m. tomorrow.

APPENDIX.

STANDING COMMITTEE REPORTS.

The following committee has today filed favorable reports on bills, as follows:

State Affairs: Senate bill No. 4, and House bill No. 4.

In Memory
of
Hon. J. M. Alderdice

Mr. Farrar offered the following resolution:

Whereas, On January 2d, 1930, died Hon. J. M. Alderdice, member of the Twenty-eighth and Twenty-ninth Legislatures and later the Senate of Texas.

Mr. Alderdice was born in Kentucky in 1863 and came to Texas in early life, locating in Ellis county, Texas, and resided there until his death. He taught school several years, was county superintendent of public instruction of Ellis county four years, later served two terms in this House and one term as a member of the Senate. In addition to Mr. Alderdice's services as a schoolman and legislator, he was a very successful practical farmer.

As a member of the Legislature, Mr. Alderdice was especially active in behalf of education and did invaluable service in raising our schools to their present high standard.

Senator Alderdice was a finished scholar, possessed a rich fund of information, was a fluent, powerful speaker, had a commanding personality, and wielded a large and useful influence in any assembly of which he was a member; therefore, be it

Resolved, That in the death of J. M. Alderdice society lost a splendid member and the State a great and useful citizen; and be it further

Resolved, That copies of this resolution be furnished the family of the deceased, and a copy be sent to the Waxahachie Daily Light, and that this resolution be given a page in the Journal, and that when we adjourn today it be in memory of the deceased.

FARRAR,
McDONALD,
METCALFE.

The resolution was read second time, and was adopted by a rising vote.

NINTH DAY.

(Continued.)

(Friday, February 7, 1930.)

The House met at 10 o'clock a. m., and was called to order by Speaker Barron.

TO EXTEND THE PRIVILEGES OF THE FLOOR.

Mr. Olsen offered the following resolution:

Whereas, The teachers and students of the Shiner High School of Lavaca county are now at the bar of the House; therefore, be it

Resolved that they be extended the privileges of the floor of the House for brief time.

Signed—Olsen, Graves of Erath, Pavlica.

The resolution was read second time and was adopted.

HOUSE BILL NO. 2 ON PASSAGE TO ENGROSSMENT.

The Speaker laid before the House, as pending business, on its passage to engrossment,

H. B. No. 2, A bill to be entitled "An Act relating to the prison system of Texas, and providing for the rehabilitation, renovation and concentration of the prison system of the State of Texas on the present site of the central prison and walls in the city of Huntsville, in Walker county, Texas."

The bill having heretofore been read second time, with amendment by Mr. Tillotson and substitute by Mr. Young for the amendment, pending.

Mr. Young withdrew the substitute amendment.

Mr. Holder offered the following amendment to the amendment:

Amend amendment to House bill No. 2, page 2, line 5, by striking out the words "at such place as the Legislature may determine," and inserting in lieu thereof, "on lands now owned by the State."

Mr. Beck made the following motion:

I move that further consideration of House bill No. 2 be postponed until 10 o'clock, Monday morning, so that the author of the bill may have an opportunity to confer with the Governor so as to ascertain his views as to what sort of a bill would meet his approval, with location of the prison plant confined to present owned lands as voted by this House.

Signed—Beck, McCombs.

(Pending consideration of the motion, Mr. Rountree occupied the chair temporarily.)

(Speaker in the chair.)

Question recurring on the motion by Mr. Beck, yeas and nays were demanded.

The motion was lost by the following vote:

Yeas—23.

Beck.	Land.
Bond.	Loy.
Bounds.	Martin.
Bradley.	McCombs.
Carpenter.	Murphy.
Duvall.	Palmer.
Eickenroht.	Rogers.
Hardy.	Shaver.
Harding.	Sinks.
Jenkins.	Turner.
Johnson of Smith.	Williams
Kayton.	of Hardin.

Nays—89.

Acker.	Keller.
Adkins.	Kennedy.
Albritton.	Kincaid.
Allred.	King.
Avis.	Kinnear.
Barnett.	Lee.
Bateman.	Long of Wichita.
Chastain.	Mankin.
Coltrin.	Marks.
Conway.	Mauritz.
Cox of Lamar.	Maynard.
Cox of Limestone.	McGill.
Davis.	Metcalfe.
DeWolfe.	Minor.
Dunlap.	Moore.
Enderby.	Morse.
Farrar.	Mosely.
Finlay.	Mullally.
Forbes.	Negley.
Gilbert.	Nicholson.
Giles.	Olsen.
Graves	Pavlica.
of Williamson.	Petsch.
Graves of Erath.	Pool.
Harman.	Purl.
Harrison.	Reader.
Heaton.	Renfro.
Hines.	Richardson.
Hogg.	Riley.
Holder.	Rountree.
Hopkins.	Sanders.
Hornaday.	Savage.
Hubbard.	Shelton.
Johnson	Simmons.
of Dallam	Snelgrove.
Johnson	Speck.
of Dimmit.	Stephens.
Johnson of Scurry.	Stevenson.
Jones.	Storey.
Justiss.	Thompson.
Keeton.	Tillotson.

Van Zandt.	West.
Veatch.	Wiggs.
Waddell.	Williams
Wallace.	of Travis.
Walters.	Woodruff.
Webb.	

Present—Not Voting.

Gates.	Quinn.
Magee.	Sherrill.

Absent.

Ackerman.	Montgomery.
Anderson.	O'Neill.
Baker.	Patterson.
Baldwin.	Pope of Jones.
Brice.	Pope of Nueces.
Brooks.	Ray.
Fuchs.	Reid.
Harper.	Tarwater.
Hefley.	Warwick.
Kemble.	Westbrook.
Lemens.	Williams
McDonald.	of Sabine.
Mehl.	Young.

Absent—Excused.

Ewing.	McKean.
Finn.	Prendergast.
Kenyon.	Strong.
Long of Houston.	

Mr. Kennedy moved to reconsider the vote by which the motion was lost, and to table the motion to reconsider.

The motion to table prevailed.

Mr. Turner offered the following substitute for the amendment by Mr. Holder:

Amend the amendment by striking out in line 5, page 2, the words and figures, "7500 acres," and substitute therefor the figures "4000 acres on land now owned or as near as practicable thereto for railroad facilities."

Question—Shall the substitute amendment be adopted?

MESSAGE FROM THE SENATE.

Senate Chamber,
Austin, Texas, February 7, 1930.

Hon. W. S. Barron, Speaker of the House of Representatives.

Sir: I am directed by the Senate to inform the House that the Senate has passed

S. C. R. No. 9, Inviting A. F. Whitney and G. W. Anderson to address a joint session of the House and Senate Monday, February 10, 1930, at 10 o'clock.

Respectfully,
MORRIS C. HANKINS,
Assistant Secretary of the Senate.

HOUSE BILL ON FIRST READING.

The following House bill, introduced today, was laid before the House, read first time, and referred to the appropriate committee, as follows:

By Mr. Keller:

H. B. No. 19, A bill to be entitled "An Act providing that the Supreme Court and Courts of Civil Appeals of this State shall have original jurisdiction in the matter of issuing the writ of mandamus or any other mandatory or compulsory writ or process, to compel the performance by any chairman or member of any executive committee, or primary committee, or primary election officer of any party, of any duty imposed upon them, respectively, by the laws of this State, and making this act cumulative of all other laws affecting its subject matter; said writ may be applied for and granted at any time prior or subsequent to the time fixed by law for the performance of any such duty or duties; and may include all duties and all persons related to the same subject matter, and declaring an emergency."

Referred to Judiciary Committee.

ADDRESS BY HON. R. E. SEAGLER.

Mr. Kemble moved that Hon. R. E. Seagler, a former Speaker of the House, who is now within the bar of the House, be invited to address the House.

The motion prevailed.

Speaker Barron then presented Hon. R. E. Seagler, who addressed the House.

RELATIVE TO THE PRODUCTION OF FOREIGN CRUDE OIL.

Mr. Quinn offered the following resolution:

Whereas, The State of Texas is known and recognized as one of the leading oil-producing States in the United States, and that the said State of Texas, its public free school fund and its educational institutions, are the owners of large bodies of land under which there have been discovered large pools of oil, the value of which has been materially affected and decreased by the influx into the markets of the United States of a great amount of South American and other foreign crude oil; and

Whereas, Said South American and other foreign crude oil is produced at such low labor prices as to render it impossible for the oil produced in the United States by labor receiving living

wages to fairly compete with such foreign crude oil production, and it being amply shown that the foreign produced oil imported into the United States is constantly and in heavy volume increasing; and

Whereas, It is by reason of this constantly increasing import of foreign oil that has built up and produced the present over supply of crude oil in the United States, and it also being known that the foreign production of crude oil is owned and controlled by a few large operating companies who do business in the United States, and particularly in Texas and by means of said importation of foreign crude oil control and maintain a very low price on the production of crude oil in the United States and Texas to the great detriment of land-owners and producers in the said United States and especially the State of Texas and her educational institutions; and

Whereas, Said foreign crude oil is of low gravity and gasoline content, but, regardless of such fact, the crude oil so imported from South American and foreign points is considered along with the high gravity crude oil produced in the United States in the determination of overproduction; and

Whereas, A tariff imposed on the importation of such South American and other foreign crude oil would render it possible for the maintenance in the United States of a living wage scale among the laborers in such industries, and also greatly profit the land-owners and others connected with the oil industries in meeting this unfair competition by maintaining a market price reflecting the actual law of supply and demand in the United States; now, therefore, be it

Resolved by the House of Representatives of the State of Texas, That the Congress of the United States of America be respectfully petitioned and requested to adopt and impose a tariff not less than thirty-five cents per barrel on the importation into the United States of crude oil produced in South American and other foreign oil fields; and be it further

Resolved, That the Speaker of the House of Representatives of Texas be authorized to forward this resolution by wire to the Speaker of the House of Representatives and the President of the Senate of the United States.

The resolution was read second time.

Mr. Purl raised a point of order on further consideration of the resolution at this time, on the ground that the

time for the consideration of resolutions has expired and that the resolution before the House is not a privileged resolution.

The Speaker sustained the point of order.

ADJOURNMENT.

Mr. Sherrill moved that the House recess to 2 o'clock p. m. today.

Mr. Morse moved that the House adjourn until 2 o'clock p. m. today.

The motion of Mr. Morse prevailed, and the House, accordingly, at 12:10 o'clock p. m., adjourned until 2 o'clock p. m. today.

APPENDIX.

COMMUNICATION FROM STATE TREASURY.

On motion of Mr. McCombs, the following communication was ordered printed in the Journal:

(Copy)

Austin, Texas, February 1, 1930.

To the Honorable Members of the Senate and House, Austin, Texas.

Ladies and Gentlemen: On January 30 I addressed letters to the Lieutenant Governor and to the Speaker of the House, stating to each of these officers that I "would like to appear before each of the bodies at the earliest possible date to give a brief account of my stewardship and to make answer to all of the statements given to the press, to the Governor and to you by the State Auditor relative to myself and the Treasury Department."

On January 31 the Senate passed a simple resolution inviting me "to address the joint session of the House and the Senate at 7:30 p. m. Monday." The House has taken no action on this resolution and I am informed has adjourned until Monday, and it is not known what, if any, action will be taken by it in the matter.

I know that you are extremely busy and very probably both of your bodies may not soon be able to give me the necessary time to present this report. However, I deem it urgent that my answer to the Auditor's report, which was published in the press January 29, should be made without further delay, and therefore I am following the other course suggested in my letter, namely, filing with each member of the Legis-

lature a copy of my report and answer to the Auditor's criticism of this department, together with copies of letters sent by me to the State Auditor, which I deem pertinent to the report.

Very respectfully,
W. GREGORY HATCHER.

State Treasurer W. Gregory Hatcher
Replies to Criticisms of His Department By State Auditor.

In the language of the lawyers, I respectfully demur to, or deny, every criticism made of this department in the State Auditor's special report. By demur I mean to say that if the things complained of were done then they were lawful and necessary to meet the many exigencies that arise in a department which often (for weeks at a time) receives and pays out more than a million dollars a day. By deny I mean to say that the facts have not been correctly stated and that the things complained of have not been done.

First—The Treasurer has kept and does keep every record, book and account which the law requires him to keep, described in Chapter 3, Title 70, Revised Civil Statutes of 1925 (to which the Auditor advised me he referred to in the criticism made of this department on page 3 of his report). Therefore, I deny all of the criticisms respecting this matter in the Auditor's special report.

Second—At the close of each day's business this office can and does tell to all who make inquiry "how much money" we have "according to the books" (and the money is "actually on hand"), whether the day's transactions involve several hundred thousand dollars, or several million. Therefore I deny the Auditor's criticisms of this department respecting this matter.

Third—There is no such animal as "a net balance" as applied to an office of this character, with records covering many years long prior to my administration burned or missing. The only terms that can be used in describing the general revenue fund so as to show its condition are those used by me, as follows: "Cash balances," "estimated outstanding warrants," and "estimated net balances." The money on hand represents cash balances in the different funds. The warrants unpaid represent estimated outstanding warrants (the number and amounts of which no human being can determine because of old missing records). Consequently, it is necessary to use the term "estimated

net balances." At the close of each day's business, this office can and does give, to all requesting same, the exact cash balance in each and all funds; the estimated outstanding warrants drawn against such funds; and the estimated net balances in each and all of such funds and these balances agree with those arrived at in the State Comptroller's office in every instance, as applied to recent transactions, and reports showing these facts are furnished to the Comptroller monthly. The seeming discrepancy alluded to by the Auditor respecting the changes at different times in the differences between the two departments is due to the fact that both this office and the Comptroller's has been checking to ascertain the old outstanding warrants, and a part of my records being destroyed by fire or lost years before my administration causes the results from this checking to be different in the two departments. For nearly five years' time, with student help and others when they could be spared from routine duties for so doing, I have been checking the cancelled warrants against the available record, and the task is not half completed. In my opinion, the State Auditor, with all of his force continuously working, could not accurately check the more than 200,000,000 cancelled warrants in the vaults of the Treasury against the records in six months' time. The remedy has been apparent to me for years, but it required an arbitrary act on my part, to be followed by other departments. After discussing this matter with the Comptroller's Department about a year ago, we decided that if we could avoid criticism by so doing we would set January 1, 1929, as the time to go back to to determine outstanding warrants, and that beginning September 1, 1929, (if at that time I was able to ascertain all outstanding warrants issued since January 1st and before September 1st) we would arbitrarily fix the amount outstanding against the general revenue fund as the amount to be considered as outstanding warrants. It was our purpose to then agree on an amount of money necessary to set aside to take care of any warrants dated prior to January 1st, 1929, and inform the Governor, the Legislature and others of this agreed amount that it might be taken into account when fixing the tax rate and making appropriations out of this fund. I did not have the help to enable me to carry out this program and, therefore, was forced to delay taking this action. This is the

only means by which the two departments can agree on the same balance at a given period, and if it takes legislative authority to enable us to ignore the facts and arbitrarily proceed as I have outlined, then I ask that the Legislature give us that authority. Therefore, in the light of the foregoing, I deny the statements made and conclusions arrived at in the Auditor's report, pages 4 and 5. In this connection, I would call the attention of the Legislature to the fact that while the number and amount of the outstanding warrants should be obtained, that by no means is it entitled to the prominence given the subject by the Auditor, and I assert that it was played up by him because this was the only thing that he could definitely point to as tending to show that the departments were not properly functioning together.

Fourth—The Treasurer receives millions of dollars' worth of securities pledged by the banks for the securing of State's funds without the Comptroller's having "record or knowledge" of the same, as the law provides that he shall do. Therefore, I deny that I am not following the law in so doing.

Fifth—The Treasurer does not release the securities pledged with him under provisions of law by insurance companies and others without the knowledge and consent of the departments administering those laws. Therefore, I deny the statement of the Auditor that I am relinquishing securities without proper authority for so doing.

Sixth—The Treasurer releases securities pledged with him by the banks to secure State's funds without the Comptroller's having "record or knowledge" of the same under implied authority of the Depository Law, Article 2530, R. C. S. of 1925. I hold that Article 4393, R. C. S. of 1925, which says nothing about receiving securities but alludes to the relinquishing numerous securities is in conflict with the newer statute above referred to. Therefore, I deny the correctness of the Auditor's statement that the Comptroller should give consent to the relinquishment of securities pledged with this Department by the banks, and say that it is not a proper construction of the law or its purpose. The Comptroller has no knowledge of the capital and surplus of the banks involved, of their financial condition, of the deposits made with them by the State Treasurer, or the reason for the withdrawal of the securities and the Auditor's contention is without "rule, reason or rhyme."

Seventh—Every dollar received by the Treasurer is either upon a deposit warrant or deposit receipt issued by the Comptroller as the law provides. Therefore, I deny that the Treasurer receives funds without authority of law.

Eighth—Every dollar paid out by the Treasury is on the authority of the Comptroller's warrant, except small amounts, refunds made out of "the Land Office Suspense Account," and those amounts are paid on the authority of the Land Commissioner, who simultaneously files copies of this authority with the Comptroller, and the Comptroller at the time, or shortly thereafter, ratifies such payments. Therefore, I deny the Auditor's intimation that cash is paid out without authority of law.

Ninth—Page 11 of the Auditor's report shows interest lost through differences in date of checks and time deposited in the banks. This delay did not occur in my office, the Auditor knows this and should have so stated. All moneys and checks received before 11 a. m. are deposited in the banks that day. Those coming later are deposited the next day. Therefore, I deny that this Department in anywise is responsible for this delay. All interest due on State deposits is calculated and collected by the Treasurer. For months every effort possible has been made to reaudit these accounts that not even one dollar due the State be lost, but sickness of the only available employe for this work has prevented the audit to date.

Tenth—It is not for the Treasurer to pass upon the moneys and checks collected by other departments or paid into the Treasury from any source. Therefore, he denies responsibility for loss, if any is sustained, on account of the character of remittances made to the State and the time required by the banks for the collection thereof.

Eleventh—Yes, the Auditor is correct in stating that the Treasurer, on page 6 of his 1927-1928 report, called the Governor's attention to the loss sustained by the State through failure of those owing the State and those receiving items due the State to promptly turn these funds over to this office. Since this report was sent to the Legislature, they also had knowledge of these facts. Nor was it the first, or the only time attention was called by me, to this serious loss the State was sustaining by reason of these delays. I can do no more, and therefore deny responsibility for this inexcusable neg-

lect and disregard of the State's interest.

Twelfth—The average balances in the depository banks are thirteen million dollars (round figures), as shown by my 1927-1928 report. For the fiscal year ending August 31, 1929, the records will show about the same amount. The average security pledged with the Treasurer to secure those funds amounts to twenty million dollars (round figures). During the peak periods the deposits, of course, exceed the security given by the banks. Any banker or informed person knows that this could not be otherwise. The banks are accommodating the State when they take large items deposited with them for collection, and only for a short time, and of course would laugh at you if you requested them to take their funds out of the regular channels of business and buy bonds to secure deposits for a few days or weeks, at most. The Auditor alludes to this matter by using the term "so-called" peak period. The State had in all funds February 1, 1930, \$12,000,000 (round figures). By March 1st, this amount will probably be doubled, and shortly thereafter start to go down. Then why the term "so-called" as applied to the peak deposits. The Auditor has played up this situation because it looks big in print and for other deep-seated reasons which I think the people of Texas know or will soon discover. Therefore, I deny that the spirit of the law has been violated, but on the contrary say that I exercised the discretionary powers reposed in me by law, and I did the only thing to be done under the circumstances, deposited these enormous funds in banks that I knew to be safe.

Thirteenth—The Auditor's report states that "the records of the Banking Department show that the balance in the fund (Guaranty Bank Fund) has remained unchanged since September 1, 1928, at \$1,472,641.85. The public press of January 25, 1930, quotes the Treasurer as saying that he has found this sum in the vaults of the Treasury." The Auditor could have added that the same press reports carried the statement that the Treasurer had invited the Governor to come or send someone and see that the money was there. The press did not state, but the files of my office show that neither the Banking Commissioner or the State Auditor (two of the Governor's appointees) would let me know the amount the books of the Banking Department showed should be in this

fund, though often requested to do so, until after I had written to the Governor about their withholding these balances from me, and refusing to let me know what the books showed.

Fourteenth—The Auditor says that the guaranty fund should be invested "in United States government bonds until such a time as its disposition can be determined." As bailee for the Banking Board, charged by law to keep in the vaults of the Treasury this money until paid out on lawful authority to the lawful owners, I very properly will respect that law, so long as it is the law. It is estimated that there are 40,000 persons who were depositors in failed guaranty fund banks and several hundred banks all claiming interest in this fund, waiting for the Supreme Court to determine its distribution, which date I hope is not far distant, but the Auditor may know more than all of these banks and the State Banking Board combined and his suggestions, of course, should be given due consideration.

Fifteenth—The Auditor's report states that former Treasurers invested in United States securities, funds "in excess of the aggregate amount allotted to depository banks for State funds and necessary to be carried in them," and that the reasonableness of their action is apparent, but that the Fortieth Legislature repealed the law permitting this to be done. Yes, that is what happened. And I am the man who wrote the repealing statute, and Governor Dan Moody submitted it to the Legislature, which promptly passed it, I think, with but few, if any, dissenting votes. Since then, with a great deal of pride, I have pointed to that change in the depository law as one of my accomplishments. No reflection is meant on the splendid gentlemen who preceded me in office, some of whom, acting in their wisdom (in several instances) invested the State's money in government bonds. But since I assumed the duties of office not a dollar of the moneys paid to the State of Texas by Texans has gone to the bond buyers of Boston, New York and Chicago in payment of government bonds. On the contrary, moneys paid in by our people from every part of this great State, in so far as it has been possible, have been placed by me in banks in every section of the State, and of this I shall ever be proud.

Sixteenth—The Auditor states that "there are instances of depository banks having on deposit over \$1,000,000." Certainly, and this could not be otherwise.

For instance, I will shortly receive checks from Dallas and Harris counties exceeding a million dollars each. From Tarrant and Bexar counties exceeding \$700,000. The banks on which these checks are drawn have given security for \$500,000, and at the time will probably have a like amount of funds. Consequently, two of these banks, during the collection period, may have as much as \$1,500,000 against \$500,000 security. The other two \$1,200,000 against \$500,000 security. Another illustration—four oil companies each month send in checks varying from \$325,000 to \$375,000 each. When these checks are deposited in banks for collection, the balances in such banks are \$500,000; during the collection period they will be between \$800,000 and \$900,000, against security of \$500,000. What would the Auditor suggest? Have the oil companies ship to the Treasurer silver and gold for these amounts, or have me take a pair of shears and cut these checks into eight or ten pieces? This criticism by the Auditor, to say the least, not only is foolish and unwarranted, but is extremely unjust, and I leave to the Legislature, and the people of Texas, to judge why it was made. Therefore, I deny that I am violating the spirit of the law in the matter of making deposits in banks or violating the letter of the law in such instances, since it gives me discretionary powers to meet emergencies like these.

Seventeenth—In justice to my splendid corps of assistants, as well as myself, I cannot close this report without calling attention to one other matter. The Thirty-eighth Legislature made appropriations to pay, and I found in this office, when I assumed the duties of State Treasurer, January 16, 1925, sixteen employees. Since that date only one has been added to the number, notwithstanding the work has nearly doubled, and the number of employees in other departments increased from 25 to 75 per cent. I requested, and the Fortieth Legislature provided for, two employees more than the number the Thirty-eighth Legislature provided for, these to be used, not for original work, but to help me recheck the work of others and re-audit their accounts, etc., one at \$1,800 a year and one at \$2,400. The Governor saw fit to strike out one of these appropriations. The Forty-first Legislature, at the First Called Session, again made appropriation for the two auditors, and again one of the number was stricken out. I, the Treasurer of the State of Texas (three times elected to

that office by its citizens), receiving nearly a hundred million dollars a year, and paying out a like sum, have been, and am being, partially denied the privilege of reauditing, under my own supervision (as I should do) the work of my employes, without respect to any audits to be afterwards made by others, forsooth to save \$1,800 a year, and a State Auditor is employed and allowed \$25,000 to make public criticism of me (through the press, and before filing his report with me) in flagrant violation of the law creating his position and defining his duties, and in violation of every rule of fairness known among men. We all know that an untruth travels twice as fast as its denial, but I shall do the best I can to let the people see what is going on under the dome of the Texas Capitol.

(Copy.)

Austin, Texas, January 14, 1930.

Hon. Moore Lynn, Acting State Auditor, Austin, Texas.

Dear Sir: In re: Yours of December 23, File No. 1217, and your supplementary letter of January 7, File No.

In spite of your failing to find statutory provision therefor, this office was closed December 24, 25, 26, 27, 28, and also on New Year's Day, January 1st. With these exceptions, we have been working to the limit of our ability, physical and mental, to carry on the work of this Department, the volume of which has been greatly increased by the recent creation of numerous boards and bureaus (including your office) and by the State's going on actual deficiency sixty days earlier in 1929 than customary, causing the work relating to the general revenue to be nearly doubled during the deficiency period, and also because of the fact that this office, with fifteen regular employes, has had from 20 to 33 per cent of that number out of the office the greater portion of the time on account of sickness.

At this writing, all of the above continues to prevail. Therefore, you will readily see that whatever might be my inclination to do work requested by you (properly your work, for which the Legislature has made an appropriation of \$25,000 for you to do it with), it has not been possible for this Department to prepare the numerous reports requested by you, but I will continue to give you the freest access to every record in this office, the same as you have always had, and answer every verbal

inquiry made respecting transactions of this office, as has also been done, that you and your assistants may prepare any reports you desire to make of the transactions of this office. However, the language of many of the interrogations addressed to me have been so worded as to attempt to answer the question asked, and without referring to them in detail, I beg to inform you that nearly all of such answers, so framed into your questions, are partially, if not totally, incorrect. Several of your communications relating to finances are so unfair and defamatory in their character as to require my making special answer thereto; therefore, at the earliest possible moment, in spite of the other duties that are crowding upon me, I shall make specific answer to these.

I deem this necessary because of the policy inaugurated by you of going to the press with matters which on their face invite big headlines in the newspapers and require my time making answer thereto denying their correctness.

I cannot refrain from again alluding to your letter of December 23, in which you make the following statement: "I am unaware of any statutory provision whereunder the Treasurer's office is relieved of its public duties during the time you have mentioned except for Sundays and legal holidays." My comment is that "I am unaware of any statutory provision whereunder" the Auditor's office is empowered, authorized or even permitted to prescribe rules and regulations for the running of the departments of the State government and to tell State officials what they shall or shall not do.

The people of Texas have elected an Attorney General to prosecute violations of law in the State courts, and if my permitting my employes from all sections of the State to go home for four days during the Christmas holidays (as has been the custom from time immemorial in this State) is a violation of law, then and in that event you should go to the Attorney General about the matter, if you feel authorized to do so, and have him bring proceedings against me in the courts.

Yours very truly,
(Signed)

W. GREGORY HATCHER,
State Treasurer.

(Copy)

Austin, Texas, January 15, 1930.

Honorable Moore Lynn, Acting State Auditor, Austin, Texas.

Dear Sir: I am in receipt of yours of January 14, which reads as follows:

"I shall appreciate it if you will give this Department your opinion in regard to the safety of the State's vaults, vault doors and safes in the case of fire or attempted burglary."

In reply thereto, I beg to advise you that in my opinion, which has been corroborated by reports made to me by representatives of some of the largest insurance companies in America making examination, the vaults of the Treasury are as good as any used by any bank with the possible exception of the Federal Reserve and two or three large banks in Texas.

The walls are of peculiar construction, though built in 1882, at the time the building was built, they are now pronounced the most secure. Leading into the outer vault there is a five-ton door, time lock, said to be as good as can be built and until something better than steel is discovered to make doors out of, no better door will probably be hung. Leading into the inner vault there are two large doors, one of them is 7 inches thick. In addition to this, separate vaults with combination locks are provided for different usages inside the inner vault.

I am volunteering the information that all you are now hearing about the vaults of the Treasury being insecure, if you are hearing it, is just what I heard when I assumed the duties of State Treasurer and was probably put out by interested parties who desired me to deposit with their banks the guaranty fund moneys held in the vaults of the Treasury, as the law requires they shall be so held.

Yours very truly,

(Signed)

W. GREGORY HATCHER,
State Treasurer.

(Copy)

Austin, Texas, January 15, 1930.

Honorable Moore Lynn, Acting State Auditor, Austin, Texas.

Dear Sir: In Re: Yours December 23, 1929, File No.:

In your communication you requested

the following sixteen employes to answer questionnaires, Form No. 147:

Barnhart, Charles,
Caruthers, Grace,
Holton, Edna P.,
McGee, I. G.,
McKnight, T. S.,
Owens, Myrtle,
Rice, C. O.,
Tyler, E. B.,
Ward, May,
Whitener, Winifred,
Belger, Alice,
Clark, W. C.,
Lockhart, C. R.,
Petty, Peggy,
Plumb, Thelma,
Prothro, Elizabeth.

I am herewith enclosing the answers made by the first ten; of the remaining six, three, Miss Belger, Mr. Clark and Mr. Lockhart, are no longer with this Department. The other three, Miss Petty, Miss Plumb and Miss Prothro, are University students, only working part of the time and, therefore, are not making answers.

While I have complied with your request in the matter of having the questionnaires filled in and returned to you, that this Department might be in harmony with the action of other departments of the State government, as a citizen of Texas, as well as a State official, I feel it incumbent on me to say that the authority usurped, or attempted to be usurped, by you in this matter, if allowed to go unchallenged, will bring confusion and insubordination in the departments of the State government and the creation of a form of bureaucracy that will ultimate in an autocracy and the destruction of our form of State government.

Yours truly,

(Signed)

W. GREGORY HATCHER,
State Treasurer.

(Copy)

Austin, Texas, January 16, 1930.

Honorable Moore Lynn, Acting State Auditor, Austin, Texas.

Dear Sir: In Re: Yours of December 20, File No. 1213. Received by this Department December 23, twenty minutes before closing for the holidays.

I am glad to comply with your request that I give you balances in banks and securities held by me as of March 31, 1929. It will be recalled that this is the same inquiry that comes from the

Governor's office every campaign year, the one difference being that a former Governor would make the request as of April 1, instead of March 31, but as this would show about the same request is familiar and, therefore, more easily complied with because of former experience in getting out such statements at this period of the year during campaign years.

Question 1. "Would it be conservative to say that there have been times when the total cash on deposit exceeded the total of the securities for it by \$5,000,000?"

Answer—No. There is nothing "conservative" about this statment. It only reflects an emergency which this Department is called upon to meet. I must either deposit the money in the banks or hold it in the Treasury. No bank being willing to give security for excessive funds deposited with them for but a few weeks' time.

Question 2—"Have there not been times when the cash on deposit with an individual bank exceeded the security held from that particular bank by as much as 100 per cent of the security?"

Answer—I receive many checks at this period of the year for amounts around a million dollars, and to deposit this check with the bank upon which it is drawn, of course, would run the bank's deposits far in excess of the amount usually on deposit with such bank, but I think I know enough to know that if the drawer of such a check could have funds up to a million dollars with a bank, then the State Treasurer could certainly do so for a period of time required to collect the check and not be subject to criticism by any fair-minded person.

In answer to Questions 3 and 4, asking the total amount of cash on hand and securities March 31, I am giving you a detailed statement so that you can pick out all the bad ones and play them up, but I am sure that every banker in Texas will understand that these balances for any one day's period would, and do, reflect a necessary condition arising out of the receipts in this Department and in the collection of items drawn on particular banks, because of my rule to deposit items drawn on a depository bank with that bank for collection.

Now, then, the records of this office show that the funds in this Department vary from eight million to twenty-eight million dollars, and that the average balance the year around is approxi-

mately thirteen million, and that the average securities held by the Treasurer to secure these funds is in excess of twenty million dollars.

Yours very truly,

(Signed)

W. GREGORY HATCHER,
State Treasurer.

(Copy)

Austin, Texas, January 16, 1930.

Honorable Moore Lynn, Acting State Auditor, Austin, Texas.

Dear Sir: In Re: Yours of December 20, File No. 1212. Received by this Department twenty minutes before closing for the holidays.

The first paragraph of which reads: "On certain occasions we have noted that some of the funds in your care show deficits of actual cash."

I reply, you are advised that you have not noted "some funds in my care showing deficiencies of actual cash." On the contrary, after four weeks' searching, you have only found one fund overdrawn, namely, the rural sanitation fund, and the amount was \$67.20. Years ago this Department, through some of the employees not with it at this time, in paying out \$100,000,000 (one hundred million dollars) a year as we do, failed to catch a warrant for \$67.20, drawn against the rural sanitation fund, and that is the only discovery, showing an overdraft you allege to have made, and you did not make that. On the contrary, it is shown in all of my reports to the Governor monthly and yearly and given to the press monthly, but only from the report issued by me on January 1 of this year was it played up in the newspapers.

You state further in the second paragraph of your letter: "I am familiar with the humanitarian explanation given for the recurring and increasing deficit in the Confederate pension fund, but this inquiry has nothing to do with that particular fund."

I am now asking whether you are supposed to investigate the condition of funds in this office and report on same, or you are to be judge of what accounts, if any, shall or shall not be overdrawn? The humanitarianism you express is that exercised by the State Treasurer in behalf of the Confederate veterans of Texas, after having fully advised the Governor, Legislature and the people of Texas that this humanitarianism would be exercised by this State Treasurer so long as he was in

office and a Confederate veteran was living and presented a warrant for payment, and I do not appreciate your suggested ratification of my acts in this respect.

Yours very truly,

(Signed)

W. GREGORY HATCHER,
State Treasurer.

(Copy)

Austin, Texas, January 20, 1930.

Honorable Moore Lynn, State Auditor, Austin, Texas.

Dear Sir: I am just in receipt of yours of January 18, which reads as follows:

"Please advise me whether, at the close of business December 31, 1929, any portion of the State guaranty fund was held at any place or in any manner other than by yourself in the vaults of the State Treasury as cash. If so, please advise who was holding it and, if possible, the banks in which it was held."

In reply, I beg to advise you that the Banking Commissioner, James Shaw, has amounts in his possession belonging to the guaranty fund variously estimated up to \$600,000, the exact figures of which I am not informed and cannot obtain from Mr. Shaw, any statement showing what the actual amount is, though I have frequently requested the same. I now call your attention to what I have previously called the former Attorney General, Mr. Claude Pollard's, attention, and the Banking Commissioner's attention, too, that this money belongs in the vaults of the Treasury and should be so retained there, and that no one might have any excuse for keeping it elsewhere.

The law says "and it shall not draw interest." Of course, I am not concerned with violations of law on the part of other officials, but as State Treasurer and bailee of the Banking Board, charged with safely keeping the guaranty funds, and owing a duty to those interested in this fund, I am now calling your attention to the fact that this fund is being withheld from me.

There are no other funds belonging to the guaranty fund that I know of, except those in my possession in the vaults of the Treasury. This, of course, applies to December 31, 1929, as well as now.

Yours very truly,

(Signed)

W. GREGORY HATCHER,
State Treasurer.

(Copy)

Austin, Texas, January 22, 1930.

Honorable Moore Lynn, Acting State Auditor, Austin, Texas.

Dear Sir: Your Mr. W. F. Carter has just requested that I give him the balances in certain banks of his selection as follows: Austin National Bank and Texas Bank and Trust Co. of Austin; American Exchange National and Republic National of Dallas; First National and South Texas Commercial National of Houston, and of the Commercial National of San Antonio, showing balances in these banks on the 30th day of April, May, June and July and also securities.

As these are the banks in which the big oil companies and tax collectors deposit from three to five million dollars around the latter part of the month and the oil companies and tax collectors remit these funds to the Treasurer in the form of drafts drawn against the account, the deposits made in these banks by the Treasurer in the collection of these items of necessity are enormous amounts.

I felt that this was another political scoop on the part of certain bankers and politicians backing you and fighting me, and therefore I insisted that your Mr. Carter should obtain the average balances every day in the year in these banks, and other banks of each of these cities, and all of the reserve depository banks throughout the State instead of picking his bank at a time of year when the collections are at their highest peak, and I am insisting that you include these in any report of this Department relative to funds in banks, and if you do not do so, I will do the best I can to inform the Governor and Legislature about the true facts.

Yours truly,

(Signed)

W. GREGORY HATCHER,
State Treasurer.

(Copy)

Austin, Texas, January 23, 1930.

Honorable Moore Lynn, Acting State Auditor, Austin, Texas.

Dear Sir: In reply to yours of January 23, you are advised that all checks and drafts received by me as Secretary of the Banking Board, which have amounted to millions of dollars in the past, were deposited in the banks for collection. Over \$100,000 so collected during 1928, was deposited with the Republic Bank & Trust Company, it

being the custom after a reasonable length of time allowed for the collections to withdraw the funds collected from the banks and deposit them in the vaults of the Treasury.

I have before me the deposit book of the Republic Bank & Trust Company, which shows that the last item deposited with the bank November 1, 1928, amounted to \$1809.26, has not been withdrawn from said bank. The Republic Bank & Trust Company did not send me a statement at any time showing this balance, but it was carried on its books and regularly reported to the Banking Commissioner.

I did not know that the amount was in the bank but thought it had been drawn out in due course as other amounts had been, otherwise you would have been so informed in my letter of January 20, to which you refer and in which I stated that the Banking Commissioner, James Shaw, was withholding from me money variously estimated up to \$600,000 and that "there are no other funds belonging to the Guaranty Fund that I know of, except those in my possession in the vaults of the Treasury. This, of course, applies to December 31, 1929, as well as now."

The above shows: First, that the sum of \$1809.26 in the form of a draft was received in this Department, and following the usual custom deposited by my chief clerk with the Republic Bank & Trust Company of Austin to the credit of "W. Gregory Hatcher, Secretary of the Banking Board"; that it had not been withdrawn, but was reported to the Banking Commissioner by the bank, but not to the Treasurer; that it was a trust fund in a solvent bank and could not be withdrawn or used by anyone but the trustee, myself; that through oversight it was not withdrawn and deposited in the vaults of the Treasury as was the usual custom; that the pass book, had it been referred to by you, would have shown, as it does show, that this balance was held by the bank; that any audit made of the Banking Department as you have been requested to make, in connection with an audit of this Department, as you have been requested to make, would have shown all of these facts.

Now then I hope I have fully complied with your request to explain the reason for depositing the money with the bank and the failure to withdraw it and place it in the vaults of the Treasury. If I have not, come and see me or write another letter. Then when you are through, you are going to be

called upon to explain this statement in your letter which reads as follows: "I am at a loss to understand your failure to mention this deposit in your letter to this Department referred to above."

Yours truly,

(Signed)

W. GREGORY HATCHER,
State Treasurer.

P. S.—Since writing the above and before delivery to you, the funds above referred to have been withdrawn from the Republic Bank & Trust Company, and are in the vaults of the Treasury.

W. GREGORY HATCHER.

SUPPLEMENT TO THE STATE AUDITOR'S REPORT.

On motion of Mr. Stevenson, the following reports of the State Auditor were ordered printed in the Journal:

Office of State Auditor and Efficiency
Expert,
State of Texas.

Austin, January 27, 1930.

Hon. Dan Moody, Governor; Hon. Barry Miller, Lieutenant Governor; Hon. W. S. Barron, Speaker of the House of Representatives, the Legislature of Texas.

In Re: Special Bank Accounts Carried by Comptroller of Public Accounts.

Gentlemen: In the course of a general survey of the various systems under which public funds are handled, the Auditor, on December 31, 1929, requested all departments and institutions to furnish information as to whether any moneys belonging to the State were carried on deposit in banks instead of being paid into the Treasury. Each department receiving funds was asked to report, among other things: the statute under which collections were made; the bank, or banks, in which funds were deposited; the rate of interest received; the amount of security required; the balance in each depository as at December 31, 1929; and the reason for not depositing such collections in the Treasury.

In conformity with the request, the Comptroller reported in a letter, bearing date of January 6, 1930, that his Department collected office fees, miscellaneous taxes, whiskey permits, etc., and that these were temporarily deposited in the American National Bank, of Austin, Texas, which neither paid interest on, nor gave security for the balance carried in the account. No

mention was made of any other bank accounts.

In addition to the inquiries addressed to departments, we asked local banks to furnish the balances at December 31, 1929, of all accounts in the names of State departments or officials. The Texas Bank & Trust Company reported an account entitled "S. H. Terrell, Comptroller, Special," with a balance of \$129.98. The Austin National Bank likewise reported an account entitled "S. H. Terrell, Comptroller, Special," which had a balance of \$1603.38.

Immediately after answering our inquiry, the Comptroller closed both accounts. When his attention was called to his failure to report the two accounts, the Comptroller explained that he considered them private accounts, and, therefore, not subject to examination by the Auditor. Later he admitted that post-dated checks and escrow items received by him because of his official position might have been cleared through the accounts. The Auditor, already aware that public funds had continually been deposited in both accounts, took the position that they were subject to audit and demanded access to the records.

In discussing the matter a few days later, the Comptroller informed the Auditor that most of the stubs, cancelled checks, statements and duplicate deposit slips had been destroyed. He then submitted the banks' closing statements and a partial record of check stubs for inspection.

Escrow Account.

Persistent inquiry finally led to information disclosing the existence in the office of the Comptroller of a memorandum account entitled "Money Collected—Checks held in Escrow," a photostatic copy of which is attached hereto and marked "Exhibit A." This account indicated that disposition had never been made of certain funds purported to have been collected under escrow agreements.

As soon as the account was discovered, we inquired of the Comptroller as to the nature of the items reflected therein. He stated that certain funds had remained in his possession by agreements between several oil companies and one E. J. Martin (formerly an employe of the Comptroller's Department, but now deceased). The Comptroller also asserted that the amounts were not public funds; were not to go into the Treasury; and, furthermore, were not to be returned to the com-

panies. Upon being pressed for particulars, he declined further to discuss the nature of the agreements.

Investigation on our part disclosed the fact that certain of the amounts had been paid in, pursuant to instructions of the Comptroller, as indicated by correspondence between him and the Magnolia Petroleum Company, as follows:

Dallas, Texas, September 24, 1925.

In Re: One-cent tax on gasoline sold to United States government.

Hon. S. H. Terrell, Comptroller of Public Accounts, Austin, Texas.

Dear Sir: Mr. D. A. Little, Assistant Treasurer, has forwarded to you today report of Magnolia Petroleum Company covering gasoline sales in the State of Texas during the month of August, 1925, showing total sales of gasoline to be 8,274,065 gallons; of this amount, 147,280 gallons were sold to the United States government at San Antonio, which last amount was deducted from the total gallonage reported, and check for the net sales, amounting to \$81,267.85, was sent you.

This is our first sale to the government. We understand that the question as to whether or not the tax applies to a governmental agency is now before the courts, and that the companies that have been selling gasoline to the government have an agreement with you to the effect that until this question is settled the seller may deposit in escrow check or give bond for the taxes that ultimately may be collected on these government sales, if it is held by the courts

that such gasoline is subject to the 1c tax. We have let this report reflect the facts. We would like for you to advise us if we can give you a bond or a cashier's check to be held in escrow for the 1c tax on gasoline sold to the government, awaiting the determination of this question.

Yours very truly,
(Signed) A. S. HARDWICKE.

cc—D. A. Little, W. H. Francis,
Building.

Comptroller's Department,
State of Texas.

Austin, Texas, September 25, 1925.

Hon. A. S. Hardwick, Assistant General Attorney, Magnolia Petroleum Company, Dallas, Texas.

My Dear Sir: Replying to your letter of the 24th instant, I beg to advise that it will be agreeable with this office for you to remit gasoline sales tax on sales made to United States government, as referred to in your letter.

Remittances of this character are deposited to the credit of an escrow fund account, and in the event the Supreme Court holds that such tax is collectable by the State, such fund will be deposited in the State Treasury; otherwise, such will be promptly refunded to you.

Assuring you that it is a pleasure to serve you at all times, I am,

Very truly yours,
(Signed) S. H. TERRELL,
Comptroller.

The accounts paid by the Magnolia Petroleum Company under these instructions were as follows:

Date of Check	Date of Deposit	Amount
Sep. 29, 1925	Oct. 14, 1925	\$ 1,472.80
Oct. 24, 1925	Jan. 6, 1926	1,332.60
Nov. 24, 1925	Jan. 6, 1926	1,473.34
Dec. 31, 1925	Jan. 6, 1926	631.20
Jan. 23, 1926	Jan. 30, 1926	1,262.40
Feb. 24, 1926	Mar. 19, 1926	140.40
Total		\$ 6,312.74

The Comptroller stated that no demand had been made by the taxpayer for the return of these payments, and that the amounts had not been so returned, nor had they been covered into the State Treasury.

The escrow account also indicated

that payments had been made by the Independent Oil Company, San Angelo; Auto Supply Company, Laredo; Sunshine Consolidated Oil Company, Wichita Falls; and the Keeling Oil Company, Texline.

Account in Texas Bank and Trust Company.

In respect to the account carried in the Texas Bank and Trust Company, there is attached hereto a photostatic copy, Exhibit "B," of the account as shown by the records of the bank.

By a comparison of the deposits in the account in the Texas Bank and

Trust Company with the items in the memorandum account, "Money Collected—Checks Held in Escrow," Exhibit "A," it will be observed that, except for the initial deposit of \$775.94, explained below, all deposits can be readily identified with escrow items.

Particulars of the deposits made in the bank are as follows:

No.	Date of Deposit	Payor	Amount
(1)	Sep. 23, 1925	S. H. Terrell, Comptroller.....	\$ 775.94
(2)	Oct. 14, 1925	Magnolia Petroleum Company.....	1,472.80
(3)	Mar. 19, 1926	Magnolia Petroleum Company.....	140.40
(4)	June 5, 1926	Sunshine Consolidated Oil Co.....	6,609.28
(5)	Aug. 19, 1926	Keeling Oil Company.....	200.00
(6)	Sep. 30, 1926	Keeling Oil Company.....	100.00
Total.....			\$ 9,298.42

Explanations of the above items follow:

(1) The deposit of \$775.94 appears to represent the proceeds of check No. 34, closing out an account styled "S. H. Terrell, Comptroller," carried in the Austin National Bank. On the stub for this check was this notation: "This represents money unaccounted for," etc.

(2) and (3) The deposits of \$1,472.80 and \$140.40 represent collections received from the Magnolia Petroleum Company for gasoline taxes paid in escrow as heretofore explained.

(4) The deposit of \$6,609.28 appears on the escrow account as having been received from the Sunshine Consolidated Oil Company. The gasoline tax record indicates that the amount was cleared into the Treasury on a deposit warrant.

(5) and (6) With reference to the deposits of \$200 and \$100 covering pay-

ments made by the Keeling Oil Company, the Comptroller states, and the escrow amount indicates, that the amounts have neither been repaid to the taxpayer nor deposited in the Treasury.

It will be observed that the entire amount of the deposits in the Texas Bank and Trust Company, \$9,298.42, came into the Comptroller's hands because of his official position. We found nothing to indicate that any personal funds were placed in this account.

Consideration will next be given to disbursements from this account. Particulars of these were taken from check stubs furnished by the Comptroller, supplemented by his oral statements. For the sake of brevity, the items will be set forth in tabular form and distributed according to purpose for which drawn:

CHECKS DRAWN ON TEXAS BANK AND TRUST COMPANY

Date Drawn	Details	Check Number	Amount		
			Personal Use	State Use	Uncertain
	(Not cleared).....	1			
1926					
Mar 1	Account Littlefield Oil Co.....	2		\$ 1,000.00	
Jul 28	Sunshine Cons. Oil Co.....	3		6,609.28	
1927					
Feb 9	Treas—Cardinal Oil Co.....	4		380.62	
Apr 4	Tom Folts.....	5	\$ 15.85		
	A. P. Bagby, Jr.....	6	15.80		
	J. W. Burke.....	7	30.72		
	E. F. Elkin.....	8	30.17		
	E. E. Upshaw.....	9	11.85		
Aug 31	Treas—B. K. Oil Co.....	10		250.00	
	Harry Brister.....	11	50.00		
Oct	Ragsdale Auto Co.....	12			\$ 90.00
Nov 21	A. Ligarde.....	13	25.00		
Nov 22	Dallas News—Ad.....	14			2.05
	Star Telegram.....	15			2.05
Dec 6	H. A. Brister.....	16	100.00		
	Sam H. Terrell, Comp.....	17	50.00		
	M. Cafe—Expense.....	18	30.00		
1928					
Feb 21	Covert Auto Co.....	19	36.53		
Apr 28	Treas—B. P. Oil Co.....	20		20.03	
Jun 16	C. A. Maufrais.....	21	42.00		
Jul 8	F. W. Cook and Co.....	22	13.00		
Jul 11	F. T. Ramsey & Son.....	23	36.50		
Nov 15	Mary McNamara.....	24	50.00		
Nov 22	Boone Photo Co.....	25	23.80		
	Capital Engraving Co.....	26	11.14		
	Account A. J. Rohan.....	27		100.00	
	Bob Williams.....	28	59.45		
1929					
Feb 5	Harry Golden.....	29	51.70		
	Covert Auto Co.....	30	30.90		
1930					
Jan 2	Cashier's Check—Yourselves.....	31		129.98	
	Totals.....		\$ 714.41	\$ 8,489.91	\$ 94.10
	Grand total.....				\$ 9,298.42

It will be noted that certain of the payments have been made to persons believed to have been employees in the Comptroller's Department, and that there is an apparent proportional uniformity in some of the payments.

No personal funds were deposited in this account, but, according to the Comptroller's own admissions and the information on the check stubs, he withdrew from the account for his personal use, funds aggregating \$714.41. He also

drew on the account for what he termed "State" purposes a total of \$8489.91, but of this amount only \$6609.28 represented an item deposited in the account. The remaining amounts withdrawn for so-called "State" purposes, amounting in total to \$1880.63, cannot be identified with amounts deposited in this account.

The audit of this accounts shows the following items to have been received and not accounted for:

Date	Item	Amount
Sep. 23, 1925	Transfer of balance in Special Account—Austin National Bank.....	\$ 775.94
Oct. 14, 1925	Magnolia Petroleum Company Check.....	1,472.80
Mar. 19, 1926	Magnolia Petroleum Company Check.....	140.40
Aug. 19, 1926	Keeling Oil Company Check.....	200.00
Sep. 30, 1926	Keeling Oil Company Check.....	100.00
	Total.....	\$ 2,689.14

Account in Austin National Bank.

The account, "S. H. Terrell, Comptroller, Special," carried in the Austin National Bank was opened on April 7, 1925, and closed January 8, 1930. A photographic copy of the account as shown by the bank's records is marked Exhibit "C" and appended hereto.

Deposits in this account aggregated \$54,364.55. Information obtained from various sources, including oral statements made by the Comptroller and records and documents in his files, enabled us to identify the following items as having been deposited in but not cleared from the account:

No.	Date	Detail	Amount
(1)	June 26, 1925	Independent Oil Co.	\$ 2,334.84
(2)	Jan. 6, 1926	Magnolia Petroleum Co.	1,332.60
(3)	Jan. 6, 1926	Magnolia Petroleum Co.	1,473.34
(4)	Jan. 6, 1926	Magnolia Petroleum Co.	631.20
(5)	Jan. 30, 1926	Magnolia Petroleum Co.	1,262.40
(6)	Jan. 30, 1926	Equitable Trust Co., of N. Y., for estate of Elizabeth Griffith.	1,336.00
		2 per cent penalty on same.	26.67
(7)	Mar. 20, 1926	James D. Moore for estate of William O. Allison.	4,195.86
(8)	Nov. 18, 1926	Keeling Oil Company.	25.00
		Total.	\$ 12,617.91

Explanations of the foregoing items follow:

(1) The deposit of \$2,334.84 (appearing in the escrow account as \$2,334.89) was paid by the Independent Oil Company, San Angelo, Texas. The Comptroller advises us that the amount has not been refunded to the taxpayer nor paid into the Treasury.

(2), (3), (4), and (5) The deposits of \$1,332.60, \$1,473.34 and \$631.20, made on January 6, 1926, and that of \$1,262.40 on January 30, 1926, were received as escrow payments from the Magnolia Petroleum Company, pursuant to its arrangement with the Comptroller, and, as heretofore stated in connection with like deposits in the Texas Bank and Trust Company, have not been repaid to the company nor have they been deposited in the Treasury.

(6) The letter files in the inheritance tax division shows that, on September 22, 1925, there was assessed against the heirs of Margaret Elizabeth Griffith inheritance taxes in the amount of \$1,336, which were paid under protest. In the latter part of January, 1926, a penalty of \$26.67 was imposed for delayed payment.

On January 25, 1926, the Comptroller wrote Messrs. Murray, Aldrich and Roberts, 37 Wall Street, New York, that

the payment of \$1,336 had been placed in escrow. A check for \$1,336 and one for \$26.67 were deposited in the Austin National Bank on January 30, 1926. The file indicates that the matter was not reopened by the taxpayer and, so far as can be ascertained from the inheritance tax collection record and the deposit warrant register in the book-keeping section, no part of the amounts have been returned to the taxpayer or paid into the Treasury.

(7) On February 13, 1926, inheritance taxes of \$4,195.86 were assessed against the heirs of William O. Allison. The assessment was paid under protest and on March 1, 1926, the Comptroller addressed a letter to the supervisor of the transfer inheritance tax of Bergen county, New Jersey, acknowledging receipt of the remittance of \$4,195.86 and advising that the sum had been placed in escrow to be held for a reasonable time, pending settlement. No further action appears to have been taken, although nearly four years have elapsed.

Examination of the inheritance tax collection record and the deposit warrant register indicates that no part of the amount has been deposited in the Treasury or returned to the taxpayer.

(8) The deposit of \$25 on November 18, 1926, presumably represents escrow gasoline tax payments made by the Keeling Oil Company, and is in the

same category as its earlier payments.

Briefly speaking, the eight items above listed came to the Comptroller in his official capacity and could, in no sense, be considered personal funds.

These amounts aggregate \$12,617.91 and, as heretofore explained, have not been returned to the persons paying them nor cleared into the Treasury.

The Auditor recently sent the Comptroller a statement showing dates and amounts of all deposits in the account in the Austin National Bank with the request that, if possible, he identify any personal items and furnish full information in regard thereto. Up to the time the account was closed on January 8, 1930, amounts aggregating \$54,364.55 had been deposited therein.

The Comptroller claims to have placed personal funds in this account. If such be the case, under the most charitable construction of his acts he has commingled public or trust funds with personal funds and must be charged with the entire amount and (so far as the deposits are concerned) may be given credit only for such amounts as he can prove were deposited from personal funds.

There follows a tabular list of withdrawals for the period from April 25, 1929, to January 8, 1930. This list was prepared from information contained on check stubs, supplemented by oral statements of the Comptroller as to the purposes for which the various checks were drawn:

CHECKS DRAWN ON AUSTIN NATIONAL BANK

Date Drawn	Details	Check Number	Amount		
			Personal Use	State Use	Uncertain
1929					
Apr 25	State Treas—A. J. Rohan	172		\$ 100.00	
	State Treas—Crescent Oil Co.	173		286.32	
May 1	Numbers Printing Co.	174	\$ 38.15		
May 10	Harry Golden	175	80.95		
	Covert Auto Co.	176	28.85		
	Covert Auto Co.	177	100.00		
	Calcasieu Lumber Co.	178	372.00		
May 21	H. Bresler	179	50.00		
May 29	State Treas—Crescent Oil Co.	180		286.32	
	State Treas—Coastal Pet. Co.	181		333.33	
Jun 5	Covert Auto Co.	182	100.00		
Jun 18	State Treas—Coastal Pet. Co. \$333.33				
	Crescent Oil Co. 286.32	183		619.65	
Jun 22	Mc account	184	35.00		
Jun 28	State Treas—Steve Owens	185		160.90	
Jul 3	Harry Golden	186	65.00		
	Robbins and Robbins	187	60.61		
Jul 5	Covert Auto Co.	188	100.00		
Jul 9	Pearl King	189	10.00		
Jul 31	State Treas—Mrs. Edna B. Purswell	190		11.39	
	State Treas—Crescent Oil Co.	191		286.32	
	State Treas—Coastal Pet. Co.	192		333.33	
Aug 6	Harry Golden	193	105.00		
	Covert Auto Co.	194	100.00		
Aug 8	Covert Auto Co.	195	21.00		
Aug 26	M. Cafe	196	20.00		
Aug 27	Covert Auto Co.	197	49.27		
Aug 31		198			\$ 75.00
Sep 5	State Treas—Mrs. R. A. Laning	199		50.00	
	State Treas—Crescent Oil Co.	200		286.32	
	State Treas—Don S. Foster	201		56.37	
Sep 11	Covert Auto Co.	202	50.00		
Sep 16	Boone Photo Co.	203	13.72		
	Gulf Refining Co.	204	14.83		
Sep 19	H. Bresler	205	100.00		
Sep 21	Ed Tarrant	206	212.50		
Sep 28	State Treas—Sweetwater Rfg. Co.	207		1,000.00	
Sep 28	Crescent Oil Co.	208		286.32	
	State Treas—E. T. Anderson	209		400.00	
Oct 7	D. Johnson	210		47.00	
Oct 9	Covert Auto Co.	211	100.00		
Oct 26	Check Returned				150.00
Oct 30	State Treas—Sweetwater Rfg. Co.	212		1,000.00	
	State Treas—E. T. Anderson	213		400.00	
Nov 6	Check Returned				375.00
Nov 12	Gulf Refining Co.	214	32.93		
Nov 14	Calcasieu Lumber Co.	215	416.00		
	Covert Auto Co.	216	100.00		
Nov 15	State Treas—Sweetwater Rfg. Co.	217		1,000.00	
Nov 20	M. Cafe	216	25.00		

CHECKS DRAWN ON AUSTIN NATIONAL BANK—Continued

Date Drawn	Details	Check Number	Amount		
			Personal Use	State Use	Uncertain
1929					
Nov 29	State Treas—E. T. Anderson & Son.....	219		\$ 400.00	
	State Treas—Davis Chev. Co.....	220		489.92	
Dec 14	Covert Auto Co.....	221	\$ 100.00		
Dec 18	Plaza Hotel.....	222	20.00		
	Tax Collector—Bexar County.....	223	25.48		
Dec 26	County Tax Col.—Weber.....	224	40.00		
Dec 30	Yourselves—				
	E. T. Anderson.....\$ 400				
	Sweetwater Rfg. Co.....1000	225		1,400.00	
1930					
Jan 7	Yourselves—Sweetwater Rfg. Co.....	226		1,000.00	
Jan 7	Harry Golden (Ck. of 9-12-29).....	208½	69.64		
Jan 8	Yourselves—Amer. Nat. Bank.....	227	563.38		
	Totals.....		\$ 3,219.31	\$10,233.49	\$ 600.00
	Grand total.....				\$14,052.80

The checks shown in the foregoing statement aggregate \$14,052.80. It is not to be understood that adequate proof has been offered that any of the items were actually for the purposes specified by the Comptroller.

In respect of checks amounting to \$40,311.75, paid from the account, no records, whatsoever, have been produced by the Comptroller.

Such information as has been furnished in regard to the withdrawals from the account in the Austin National Bank is wholly insufficient to relieve the Comptroller of the liability for the amount of \$54,364.55 chargeable to him in respect of deposits made in the account.

Account in American National Bank.

On January 24, 1930, a representative of the Auditor's office made inquiry at the American National Bank and learned that the Comptroller carried an account at that bank entitled "S. H. Terrell, Special." A photostatic copy of the account from July 18, 1928, the date on which it was opened, to January 25, 1930, is attached hereto and marked "Exhibit D." Time has not permitted an audit of this account.

Conclusion.

The examination is still in progress, but the gravity of the situation is such that we deemed it advisable, at this time, to submit our findings for your consideration.

It is believed that the work already begun should not terminate short of a complete detailed audit of the Comptroller's Department covering the period

of the incumbency of the present Comptroller. To do this expeditiously will require a considerable increase in the personnel of this office. The present annual appropriation, apparently, was not intended to provide a staff sufficient to make quickly exhaustive examinations for long periods of years.

We are informed that the Comptroller has employed J. A. Phillips, certified public accountant, Houston, Texas, to audit "two desks." Regardless of any independent examinations to be made by the Comptroller or his representatives, we wish to reiterate that our examination should include a detailed audit of the Comptroller's entire department, covering a period of five years.

It is respectfully requested that we be furnished facilities for concluding the work in the shortest time possible.

Respectfully submitted,

MOORE LYNN,

State Auditor and Efficiency Expert.

Office of State Auditor and Efficiency Expert,
State of Texas.

Austin, January 29, 1930.

Hon. Dan Moody, Governor; Hon. Barry Miller, Lieutenant Governor; Hon. W. S. Barron, Speaker of the House of Representatives, the Legislature of Texas.

In Re: Special Bank Account Carried by Comptroller of Public Accounts.
Gentlemen: With further reference to the Auditor's report of January 27, 1930, on the above mentioned subject there is transmitted herewith photostatic copies of a letter from the Comp-

troller bearing date of January 28, 1930 (Exhibit "E"), and of Deposit Warrants Nos. 504, 2141 and 2142 (Exhibit "F").

These documents show that an amount purporting to cover certain items referred to in our report of January 27,

1930, as being unaccounted for by the Comptroller was, on that date, deposited by the Comptroller with the Treasurer.

The available information in respect of these items is summarized as follows:

Dep. Warrant No.	Name of Payor	Amount	Date		
			Collected 1926	Deposited in Bank 1926	Paid in to Treasury 1930
2141	Est of Wm. O. Allison	(a) \$ 4,195.86	Mar. 1	Mar. 20	Jan. 27
2142	Est of M. E. Griffith	(b) 1,336.00	Jan. 19	Jan. 30	Jan. 27
	Penalty on foregoing	(b) 26.67		Jan. 30	Jan. 27
504	Keeling Oil Co.	(c) 200.00	Aug. 13	Aug. 19	Jan. 27
	Keeling Oil Co.	(c) 100.00	Sep. 28	Sep. 30	
	Keeling Oil Co.	(a) 25.00	Oct. 30	Nov. 18	
	Total	\$ 5,883.53			

(a) Deposited in Austin National Bank. See Exhibit "C."

(b) Deposited in Austin National Bank, being included in deposit of \$2,625.07. See Exhibit "C."

(c) Deposited in Texas Bank & Trust Company. See Exhibit "B."

The documents shown in Exhibits "E" and "F" taken in connection with facts developed in our report of January 27, 1930, definitely establish that the Comptroller collected public funds aggregating \$5,883.53 and withheld the same for more than three years, at the end of which time it was ascertained that the money was not in the bank accounts where it had been deposited and where, under the circumstances, it should have remained until final disposition was made. No information has been furnished as to the source of the money deposited on January 27, 1930.

The Comptroller's letter states, in part, as follows:

"I am in receipt of yours of January 24th, making inquiry in regard to a list of deposits, and you request that I furnish your Department a statement of any item that I can positively identify as being personal, together with full information in regard thereto. An-

swering your inquiry, you are respectfully advised that each of the items about which you inquire passed over two desks in my Department filled by appointees of mine who have recently died."

A perusal of the letter will show that the Comptroller has failed to state what disposition was made of \$6,312.74 collected from the Magnolia Petroleum Company, and \$2,334.84 from the Independent Oil Cimpony (referred to on pages 6 and 11 of our report of January 27, 1930); nor has he shown that any part of the \$54,364.55 deposited in the Austin National Bank included personal funds.

Respectfully submitted,

MOORE LYNN,

State Auditor and Efficiency Expert.

Note.—Reference is made in this report to photostatic copies of certain documents. One copy of the report containing the actual photostatic copies will be filed with the Governor, one with the Lieutenant Governor, and one with the Speaker of the House of Representatives. For purposes of economy, mimeograph copies have been substituted for photostatic copies herein.

EXHIBIT "A"

251

MONEY COLLECTED—CHECKS HELD IN ESCROW

Sept. 29—25	Magnolia Pet. Co.....	\$ 1,472.80	Houston, Texas
Oct. 26—25	Magnolia Pet. Co.....	1,332.60	Houston, Texas
Nov. 25—25	Magnolia Pet. Co.....	1,473.34	Houston, Texas
June 26—25	Independent Oil Co.....	P 2,334.89	San Angelo, Texas
Dec. 22—25	Auto Supply Co.....	28.85	Laredo, Texas
Dec. 24—25	Magnolia Pet. Co.....	631.20	Houston, Texas
Jan. 25—26	Magnolia Pet. Co.....	1,262.40	Dallas, Texas
Feb. 24—26	Magnolia Pet. Co.....	140.40	Houston, Texas
April 29—26	E. H. Eddleman Rec.....	4,599.03	July 28—26
	Sunshine Consolidated Oil Co.....		Check added to above and total de- posited
			Wichita Falls 25% of Claim No. 52 \$6,609.28
June 15—26	De Leon Pipe Line & Rfg.....	500.00	De Leon, Texas, partial payment Claim
1926			
Aug. 13	Keeling Oil Co.....	C 200.00	Texline (Claim 69540)
Oct. 28	Keeling Oil Co.....	C 100.00	Texline (Claim 69540)
Oct. 30	Keeling Oil Co.....	C 25.00	Texline (Claim 69540)

EXHIBIT "B"

TEXAS BANK AND TRUST COMPANY, AUSTIN, TEXAS

Name.....S. H. Terrell, Comptroller.....

Address.....(Special).....

Date	Checks in Detail	Date	Deposits	Date	New Balance
		Sep 23 '25	775.94	Sep 23 '25	775.94*
		Oct 14 '25	1,472.80	Oct 14 '25	2,248.74*
Mar 5 '26	1,000.00—	Mar 5 '26		Mar 5 '26	1,248.74*
		Mar 19 '26	140.40	Mar 19 '26	1,389.14*
Jul 28 '26	6,609.28	Jun 5 '26	6,609.28	Jun 5 '26	7,998.42*
Aug 19 '26		Jul 28 '26		Jul 28 '26	1,389.14*
		Aug 19 '26	200.00	Aug 19 '26	1,589.14*
Feb 18 '27	380.62—	Sep 30 '26	100.00	Sep 30 '26	1,689.14*
Apr 8 '27	15.85—	Feb 18 '17		Feb 18 '27	1,308.52*
	30.72—				
	30.17—				
Apr 8 '27	15.80—	Apr 8 '27		Apr 8 '27	1,215.98*
Apr 9 '27	11.85—	Apr 9 '27		Apr 9 '27	1,204.13*
Sep 1 '27	250.00—	Sep 1 '27		Sep 1 '27	954.13*
Sep 24 '27	50.00—	Sep 24 '27		Sep 24 '27	904.13*
Nov 2 '27	90.00—	Nov 2 '27		Nov 2 '27	814.13*
Nov 25 '27	25.00—	Nov 25 '27		Nov 25 '27	789.12*
Nov 26 '27	2.05—	Nov 26 '27		Nov 26 '27	787.08*
Nov 30 '27	2.05—	Nov 30 '27		Nov 30 '27	785.03*
Dec 6 '27	100.00—	Dec 6 '27		Dec 6 '27	685.03*
Dec 16 '27	50.00—	Dec 16 '27		Dec 16 '27	635.03*
Dec 21 '27	30.00—	Dec 21 '27		Dec 21 '27	605.03*
Dec 23 '28	36.53—	Feb 23 '28		Feb 23 '28	568.50*
May 4 '28	20.03—	May 4 '28		May 4 '28	548.47*
Jun 18 '28	42.00—	Jun 18 '28		Jun 18 '28	506.47*
Jul 10 '28	13.00—	Jul 10 '28		Jul 10 '28	493.47*
Jul 12 '28	36.50—	Jul 12 '28		Jul 12 '28	456.97*
Nov 14 '28	50.00—	Nov 15 '28		Nov 15 '28	406.97*
Nov 14 '28	23.80—	Nov 24 '28		Nov 24 '28	383.17*
Nov 28 '28	11.14—	Nov 26 '28		Nov 26 '28	372.03*
Dec 1 '28	100.00—	Dec 1 '28		Dec 1 '28	272.03*
Dec 27 '28	59.45—	Dec 27 '28		Dec 27 '28	212.58*
Feb 6 '29	30.90—	Feb 6 '29		Feb 6 '29	181.68*
Feb 8 '29	51.70—	Feb 8 '29		Feb 8 '29	129.98*
Jan 7 '30	129.98—	Jan 7 '30		Jan 7 '30	.00*

EXHIBIT "C"

THE AUSTIN NATIONAL BANK, AUSTIN, TEXAS

Name..... S. H. Terrell, Comptroller.....

Address..... (Special).....

Date	Checks in Detail	Date	Deposits	Date	New Balance
June 10 '25		Apr 7 '25	957.00	Apr 7 '25	957.00*
Jun 12 '25		Jun 10 '25	26.32	Jun 10 '25	983.32*
Jun 19 '25		Jun 12 '25	4,043.96	Jun 12 '25	5,027.28*
Jun 20 '25	957.00—	Jun 19 '25	3,939.43	Jun 19 '25	8,966.71*
Jun 26 '25		Jun 20 '25		Jun 20 '25	8,009.71*
Jun 30 '25		Jun 26 '25	2,334.84	Jun 26 '25	10,344.55*
Jul 14 '25	25.00—	Jun 30 '25	1,606.58	Jun 30 '25	11,951.13*
Jul 22 '25		Jul 14 '25		Jul 14 '25	11,926.13*
Jul 23 '25	3,909.04—	Jul 22 '25	553.76	Jul 22 '25	12,479.89*
Jul 27 '25		Jul 23 '25		Jul 23 '25	8,570.85*
Aug 3 '25	30.39—	Jul 27 '25	653.92	Jul 27 '25	9,224.77*
Aug 4 '25		Aug 3 '25		Aug 3 '25	9,194.38*
Aug 6 '25	428.83—	Aug 4 '25		Aug 4 '25	
	224.36—	Aug 6 '25		Aug 6 '25	8,541.19*
Aug 11 '25	5.50—	Aug 11 '25		Aug 11 '25	8,160.19*
	375.00—				
Aug 12 '25	.50—	Aug 12 '25		Aug 12 '25	8,159.19*
Aug 13 '25	.73—	Aug 13 '25		Aug 13 '25	8,157.46*
	.50—				
Aug 14 '25	.50—	Aug 14 '25		Aug 14 '25	8,154.46*
	.50—	Aug 14 '25	15.00	Aug 14 '25	8,169.46*
Aug 15 '25	2.00—	Aug 15 '25		Aug 15 '25	8,168.96*
Aug 17 '25	1.00—	Aug 17 '25		Aug 17 '25	8,167.46*
	.50—				
Aug 18 '25	1.00—	Aug 18 '25		Aug 18 '25	8,166.46*
Aug 19 '25	1.00—	Aug 19 '25		Aug 19 '25	8,165.46*
Oct 2 '25	553.76—	Oct 2 '25		Oct 2 '25	7,611.70*
Nov 7 '25	100.00—	Nov 7 '25		Nov 7 '25	7,511.70*
Nov 16 '25	30.00—	Nov 16 '25		Nov 16 '25	7,481.70*
Nov 27 '25	30.00—	Nov 27 '25		Nov 27 '25	7,451.70*
Dec 22 '25		Dec 22 '25		Dec 22 '25	
Dec 29 '25		Dec 29 '25	6,392.42	Dec 29 '25	13,844.12*
Dec 31 '25	6,392.42—	Dec 31 '25		Dec 31 '25	7,451.70*
Jan 6 '26		Jan 6 '26	3,447.99	Jan 6 '26	10,899.69*
Jan 7 '26	250.00—	Jan 7 '26		Jan 7 '26	10,649.69*
Jan 13 '26	75.00—	Jan 13 '26		Jan 13 '26	10,574.69*
Jan 18 '26		Jan 18 '26	500.00	Jan 18 '26	11,074.69*
Jan 19 '26	150.00—	Jan 19 '26		Jan 19 '26	10,924.69*
Jan 23 '26	35.00—	Jan 23 '26		Jan 23 '26	10,849.69*
Jan 30 '26	40.00—	Jan 30 '26	2,625.07	Jan 30 '26	13,474.76*
Feb 9 '26		Feb 9 '26	250.00	Feb 9 '26	13,724.76*
Feb 15 '26	75.00—	Feb 15 '26		Feb 15 '26	13,649.76*
Feb 16 '26	250.00—	Feb 16 '26		Feb 16 '26	13,399.76*
Feb 20 '26	50.00—	Feb 20 '26		Feb 20 '26	13,349.76*
Feb 26 '26		Feb 26 '26	50.00	Feb 26 '26	13,399.76*
Mar 10 '26	60.00—	Mar 10 '26		Mar 10 '26	13,339.76*
Mar 17 '26	4,043.96—			Mar 17 '26	9,295.80*
Mar 20 '26		Mar 20 '26	4,195.86		
Mar 20 '26		Mar 20 '26	18.00		
Mar 20 '26		Mar 20 '26	250.00	Mar 20 '26	13,759.66*
Apr 24 '26	200.00—	Apr 24 '26		Apr 24 '26	13,559.66*
Apr 27 '26	75.00—	Apr 27 '26		Apr 27 '26	13,484.66*
May 6 '26	85.14—			May 6 '26	13,399.52*
May 27 '26	100.00—	May 27 '26		May 27 '26	13,299.52*
			84.26	May 27 '26	13,383.78*
Sep 8 '26	150.00—	Sep 8 '26		Sep 8 '26	13,233.78*
Oct 9 '26	250.00—	Oct 9 '26		Oct 9 '26	12,983.78*
Oct 23 '26	84.26—	Oct 23 '26		Oct 23 '26	12,899.52*
Nov 18 '26		Nov 18 '26	25.00	Nov 18 '26	12,924.52*
Jan 7 '27	300.00—	Jan 7 '27		Jan 7 '27	12,624.52*
Jan 12 '27		Jan 12 '27	380.62	Jan 12 '27	13,005.14*
Jan 14 '27	150.00—	Jan 14 '27		Jan 14 '27	12,855.14*
Jan 25 '27	150.00—	Jan 25 '27		Jan 25 '27	12,705.14*
Feb 14 '27	250.00—			Feb 14 '27	12,455.14*
Mar 8 '27	500.00—	Mar 8 '27		Mar 8 '27	11,955.14*
Apr 1 '27	106.54—	Apr 1 '27		Apr 1 '27	11,848.60*
Mar 28 '27	50.00—	Mar 28 '27		Mar 28 '27	11,798.60*
Apr 2 '27	50.00—	Apr 2 '27		Apr 2 '27	11,748.60*

AUSTIN NATIONAL BANK, AUSTIN, TEXAS—Continued

EXHIBIT "C"

Date	Checks in Detail	Date	Deposits	Date	New Balance
Apr 11 '27	50.00—	Apr 11 '27		Apr 11 '27	11,698.60*
Apr 15 '27	25.00—	Apr 15 '27		Apr 15 '27	11,673.60*
Apr 30 '27		Apr 30 '27	1,200.00	Apr 30 '27	12,873.60*
May 2 '27	250.00—	May 2 '27		May 2 '27	12,623.60*
May 17 '27		May 17 '27	850.00	May 17 '27	13,473.60*
May 18 '27	35.00—	May 18 '27		May 18 '27	13,438.60*
Jun 1 '27	166.66—	Jun 1 '27		Jun 1 '27	13,271.94*
		Jun 23 '27	166.66	Jun 23 '27	13,438.60*
Aug 31 '27		Aug 31 '27	1,000.00	Aug 31 '27	14,438.60*
Sep 9 '27	16.50—	Sep 9 '27		Sep 9 '27	14,422.10*
Sep 15 '27	58.45—	Sep 15 '27		Sep 15 '27	14,363.65*
Sep 16 '27	50.00—	Sep 16 '27		Sep 16 '27	14,313.65*
Sep 20 '27	300.00—	Sep 20 '27		Sep 20 '27	11,213.65*
	2,800.00				
Sep 27 '27	50.00—	Sep 27 '27		Sep 27 '27	11,163.65*
Oct 13 '27	25.00—	Oct 13 '27		Oct 13 '27	11,138.65*
Oct 14 '27	48.30—	Oct 14 '27		Oct 14 '27	11,090.35*
Oct 17 '27	100.00—	Oct 17 '27		Oct 17 '27	10,990.35*
Oct 18 '27	50.68—	Oct 18 '28		Oct 18 '27	10,939.67*
Oct 21 '27	75.00—	Oct 21 '27		Oct 21 '27	10,864.67*
Oct 24 '27	657.13—	Oct 24 '27		Oct 24 '27	10,207.54*
Oct 25 '27	533.48—	Oct 25 '27		Oct 25 '27	9,674.06*
Oct 26 '27	30.00—	Oct 26 '27		Oct 26 '27	9,644.06*
Nov 4 '27	30.00—			Nov 4 '27	9,614.06*
Nov 15 '27	29.20—	Nov 15 '27		Nov 15 '27	9,584.86*
Nov 15 '27	50.99—	Nov 15 '27		Nov 15 '27	9,533.87*
Nov 16 '27	48.62—	Nov 16 '27		Nov 16 '27	9,485.25*
Dec 8 '27	350.00—	Dec 8 '27		Dec 8 '27	9,135.25*
Dec 15 '27	50.00—	Dec 15 '27		Dec 15 '27	9,085.25*
Dec 17 '27	51.33—	Dec 17 '27		Dec 17 '27	9,033.92*
Jan 9 '28	3.15—	Jan 9 '28		Jan 9 '28	9,030.77*
Jan 11 '28	2.16—	Jan 11 '28		Jan 11 '28	9,028.61*
Jan 16 '28	413.33—	Jan 16 '28		Jan 16 '28	8,615.28*
Jan 21 '28	50.46—	Jan 21 '28		Jan 21 '28	8,564.82*
Jan 24 '28	40.20—	Jan 24 '28		Jan 24 '28	8,524.62*
Jan 25 '28	41.34—	Jan 25 '28		Jan 25 '28	8,483.28*
Jan 30 '28	24.08—	Jan 30 '28		Jan 30 '28	8,459.20*
Feb 24 '28	15.00—	Feb 24 '28		Feb 24 '28	8,444.20*
Mar 1 '28	50.00—	Mar 1 '28		Mar 1 '28	8,394.20*
		Mar 13 '28	400.00	Mar 13 '28	8,794.20*
Mar 15 '28	49.06—	Mar 15 '28		Mar 15 '28	8,745.14*
Mar 21 '28	379.97—	Mar 21 '28		Mar 21 '28	8,365.17*
Apr 16 '28	651.26—	Apr 16 '28		Apr 16 '28	8,281.17*
Apr 19 '28	84.00—	Apr 19 '28		Apr 19 '28	7,629.91*
		Apr 28 '28	1,912.50	Apr 28 '28	9,542.41*
May 11 '28	101.43—	May 11 '28		May 11 '28	9,440.98*
May 29 '28	61.50—	May 29 '28		May 29 '28	9,379.48*
Jun 1 '28	45.00—	Jun 1 '28		Jun 1 '28	9,289.48*
	45.00—				
Jun 2 '28	90.00—	Jun 2 '28		Jun 2 '28	8,974.48*
	225.00—				
Jun 5 '28	80.00—	Jun 5 '28		Jun 5 '28	8,659.48*
	45.00—				
Jun 5 '28	45.00—	Jun 5 '28		Jun 5 '28	8,659.48*
	45.00—				
Jun 8 '28	673.50—	Jun 8 '28		Jun 8 '28	7,826.98*
	159.00—				
Jun 12 '28	90.00—	Jun 12 '28		Jun 12 '28	7,715.32*
	21.66—				
Jun 13 '28	45.00—	Jun 13 '28		Jun 13 '28	7,662.52*
	7.80—				
		Jun 14 '28	326.64	Jun 14 '28	7,989.16*
Jun 19 '28	45.00—	Jun 19 '28		Jun 19 '28	7,944.16*
Jun 21 '28	45.00—	Jun 21 '28		Jun 21 '28	7,811.41*
	87.75—				
Jun 22 '28		Jun 22 '28	100.00	Jun 22 '28	7,911.41*
Jun 23 '28	10.00—	Jun 23 '28		Jun 23 '28	7,901.41*
Jun 25 '28	50.00—	Jun 25 '28		Jun 25 '28	7,851.41*
Jun 29 '28	160.00—	Jun 29 '28		Jun 29 '28	7,691.41*
Jul 2 '28	67.75—	Jul 2 '28		Jul 2 '28	7,523.66*
	100.00—				
Jul 14 '28	22.85—	Jul 14 '28		Jul 14 '28	7,500.81*
Jul 18 '28	500.00—	Jul 18 '28		Jul 18 '28	7,000.81*
Jul 20 '28	90.00—	Jul 20 '28		Jul 20 '28	6,910.81*
Jul 21 '28	87.25—	Jul 21 '28		Jul 21 '28	6,823.56*
		Jul 23 '28	100.00	Jul 23 '28	6,923.56*
Jul 25 '28	326.64—	Jul 25 '28		Jul 25 '28	6,596.92*
Aug 7 '28	45.00—	Aug 7 '28		Aug 7 '28	6,551.92*
Aug 8 '28	37.85—	Aug 8 '28		Aug 8 '28	6,514.07*

AUSTIN NATIONAL BANK, AUSTIN, TEXAS—Continued

EXHIBIT "C"

Date	Checks in Detail	Date	Deposits	Date	New Balance
Aug 10 '28	20.00—	Aug 10 '28		Aug 10 '28	6,494.07*
Aug 11 '28	17.25—	Aug 11 '28		Aug 11 '28	6,476.82*
Aug 14 '28	428.92—	Aug 14 '28		Aug 14 '28	6,047.90*
Aug 18 '28		Aug 18 '28	100.00	Aug 18 '28	6,147.90*
Sep 1 '28	200.00—	Sep 1 '28		Sep 1 '28	5,947.90*
		Sep 20 '28	100.00	Sep 20 '28	6,047.90*
Oct '28	100.00—	Oct 1 '28		Oct 1 '28	5,947.90*
		Oct 1 '28	2,795.50	Oct 1 '28	8,743.40*
Oct 5 '28	12.00—	Oct 5 '28		Oct 5 '28	8,731.40*
Oct 9 '28	15.25—	Oct 9 '28		Oct 9 '28	8,716.15*
Oct 19 '28	100.00—	Oct 19 '28	100.00	Oct 19 '28	8,716.15*
Oct 24 '28	250.00—	Oct 24 '28		Oct 24 '28	8,466.15*
Oct 29 '28	37.55—	Oct 29 '28		Oct 29 '28	8,428.60*
Oct 30 '28	10.00—	Oct 30 '28		Oct 30 '28	8,418.60*
Nov 1 '28	404.25—	Nov 1 '28		Nov 1 '28	8,014.35*
		Nov 1 '28		Nov 1 '28	7,914.35*
Nov 3 '28	378.00—	Nov 3 '28		Nov 3 '28	7,536.35*
Nov 9 '28	125.91—	Nov 9 '28		Nov 8 '28	7,410.44*
Nov 15 '28	50.00—	Nov 15 '28		Nov 15 '28	7,360.44*
Nov 16 '28	25.00—	Nov 16 '28		Nov 16 '28	7,335.44*
		Nov 20 '28	100.00	Nov 20 '28	7,435.44*
Dec 6 '28	37.00—	Dec 6 '28		Dec 6 '28	7,398.44*
Dec 8 '28	25.00—	Dec 8 '28		Dec 8 '28	7,373.44*
Dec 10 '28	150.00—	Dec 10 '28		Dec 10 '28	7,223.44*
Dec 11 '28	20.25—	Dec 11 '28		Dec 11 '28	7,103.19*
	50.00—				
	50.00—				
Dec 19 '28	100.00—	Dec 19 '28	100.00	Dec 19 '28	7,103.19*
Dec 27 '28	346.49—	Dec 27 '28		Dec 27 '28	6,756.70*
Jan 4 '29	20.48—	Jan 4 '29		Jan 4 '29	6,561.22*
	100.00—				
	75.00—				
Jan 8 '29	150.00—	Jan 8 '29		Jan 8 '29	6,411.22*
Jan 12 '29	22.50—	Jan 12 '29		Jan 12 '29	6,388.72*
		Jan 16 '29	100.00	Jan 16 '29	6,488.72*
Jan 16 '29	208.00—	Jan 16 '29		Jan 16 '29	6,280.72*
Jan 21 '29	40.00—	Jan 21 '29		Jan 21 '29	6,240.72*
Jan 22 '29	73.88—	Jan 22 '29		Jan 22 '29	6,166.84*
Jan 23 '29	1,606.58—	Jan 23 '29		Jan 23 '29	4,560.26*
Jan 25 '29	41.10—	Jan 25 '29		Jan 25 '29	4,519.16*
Jan 29 '29	12.19—	Jan 29 '29		Jan 29 '29	4,506.97*
Jan 30 '29	45.00—	Jan 20 '20		Jan 20 '29	4,461.97*
Feb 2 '29	100.00—	Feb 2 '29		Feb 2 '29	4,361.97*
Feb 6 '29	150.00—	Feb 6 '29		Feb 6 '29	4,211.97*
Feb 7 '29	250.00—	Feb 7 '29		Feb 7 '29	3,937.47*
	24.50—				
Mar 1 '29	100.00—	Feb 18 '29	500.74	Feb 18 '29	4,438.21*
Mar 8 '29	150.00—	Mar 1 '29		Mar 1 '29	4,338.21*
		Mar 8 '29		Mar 8 '29	4,188.21*
Mar 25 '29	400.74—	Mar 19 '29	100.00	Mar 19 '29	4,288.21*
		Mar 25 '29		Mar 25 '29	3,887.47*
Mar 30 '29	101.01—	Mar 29 '29	928.94	Mar 29 '29	4,816.41*
Apr 3 '29	642.62—	Mar 30 '29		Mar 30 '29	4,715.40*
Apr 8 '29	100.00—	Apr 3 '29		Apr 3 '29	4,072.78*
Apr 9 '29	37.29—	Apr 8 '29		Apr 8 '29	3,972.78*
	48.00—	Apr 9 '29		Apr 9 '29	3,887.49*
Apr 15 '29	475.00—	Apr 15 '29		Apr 15 '29	3,412.49*
Apr 17 '29	25.00—	Apr 17 '29	333.33	Apr 17 '29	3,720.82*
Apr 19 '29	34.00—	Apr 19 '29		Apr 19 '29	3,686.82*
		Apr 23 '29	286.32	Apr 23 '29	3,973.14*
Apr 27 '29	286.32—				
	100.00—	Apr 27 '29		Apr 27 '29	3,586.82*
May 8 '29	38.15—	May 8 '29		May 8 '29	3,548.67*
May 9 '29	100.00—	May 9 '29		May 9 '29	3,448.67*
May 11 '29	28.85—	May 11 '29		May 11 '29	3,419.82*
May 13 '29	80.95—	May 13 '29		May 13 '29	3,338.87*
May 14 '29	372.00—	May 14 '29		May 14 '29	2,966.87*
		May 15 '29	333.33	May 15 '29	3,300.20*
		May 24 '29	286.32	May 24 '29	3,586.52*
May 27 '29	50.00—	May 27 '29		May 27 '29	3,536.52*
Jun 1 '29	333.33—				
	286.32—	Jun 1 '29		Jun 1 '29	2,916.87*
Jun 8 '29	100.00—	Jun 8 '29		Jun 8 '29	2,816.87*
		Jun 13 '29	172.29	Jun 13 '29	2,989.16*
Jun 19 '29	619.56—	Jun 19 '29		Jun 19 '29	2,369.51*
		Jun 20 '29	619.66	Jun 20 '29	2,989.17*
Jun 25 '29	35.00—	Jun 25 '29		Jun 25 '29	2,954.17*
Jul 1 '29	160.90—	Jul 1 '29		Jul 1 '29	2,793.27*

AUSTIN NATIONAL BANK, AUSTIN, TEXAS—Continued

EXHIBIT "C"

Date	Checks in Detail	Date	Deposits	Date	New Balance
Jul 5 '29	65.00—	Jul 5 '29		Jul 5 '29	2,728.27*
Jul 6 '29	60.61—	Jul 6 '29		Jul 6 '29	2,667.66*
Jul 8 '29	100.00—	Jul 8 '29		Jul 8 '29	2,567.66*
Jul 9 '29	10.00—	Jul 9 '29		Jul 9 '29	2,557.66*
		Jul 19 '29	50.00	Jul 19 '29	2,607.66*
		Jul 31 '29	286.32	Jul 31 '29	2,893.98*
Aug 1 '29	333.33—				
	286.32—	Aug 1 '29		Aug 1 '29	2,274.33*
Aug 7 '29	105.90—	Aug 7 '29		Aug 7 '29	2,168.43*
Aug 7 '29	11.39—	Aug 7 '29		Aug 7 '29	2,157.04*
Aug 12 '29	21.00—				
	100.00—	Aug 12 '29		Aug 12 '29	2,036.04*
		Aug 16 '29	1,056.37	Aug 16 '29	3,092.41*
		Aug 26 '29	286.35	Aug 26 '29	3,378.76*
Aug 28 '29	20.00—	Aug 28 '29		Aug 28 '29	3,358.76*
Aug 29 '29	49.27—	Aug 29 '29		Aug 29 '29	3,309.49*
		Sep 6 '29	400.00	Sep 6 '29	3,709.49*
Sep 7 '29	75.00—	Sep 7 '29		Sep 7 '29	3,634.49*
Sep 10 '29	50.00—				
	56.37—	Sep 10 '29		Sep 10 '29	3,528.12*
		Sep 11 '29	1,000.00	Sep 11 '29	4,528.12*
Sep 13 '29	50.00—	Sep 13 '29		Sep 13 '29	4,478.12*
Sep 14 '29	69.64—	Sep 14 '29		Sep 14 '29	4,408.48*
Sep 17 '29	13.72—	Sep 17 '29		Sep 17 '29	4,394.76*
Sep 19 '29	100.00—	Sep 19 '29		Sep 19 '29	4,294.76*
Sep 21 '29	14.83—	Sep 21 '29		Sep 21 '29	4,279.93*
Sep 24 '29	212.50—	Sep 24 '29		Sep 24 '29	4,067.43*
				Oct 1 '29	4,067.43*
Oct 1 '29	400.00—				
	1,000.00—	Oct 1 '29		Oct 1 '29	2,094.79*
	286.32—	Oct 2 '29	400.00	Oct 2 '29	2,494.79*
	286.32—	Oct 8 '29		Oct 8 '29	2,447.79*
Oct 8 '29	47.00—	Oct 10 '29		Oct 10 '29	2,347.79*
Oct 10 '29	100.00—	Oct 16 '29	1,150.00	Oct 16 '29	3,497.79*
		Oct 22 '29		Oct 22 '29	3,347.79*
Oct 22 '29	150.00—	Oct 21 '29	375.00	Oct 31 '29	3,722.79*
Oct 25 '29					
Nov 1 '29	1,000.00—	Nov 1 '29		Nov 1 '29	2,322.79*
	400.00—	Nov 6 '29	889.92	Nov 6 '29	2,837.71*
Nov 6 '29	375.00—	Nov 14 '29	1,000.00	Nov 14 '29	3,837.71*
		Nov 15 '29		Nov 15 '29	3,804.78*
Nov 15 '29	32.93—				
Nov 16 '29	416.00—	Nov 16 '29		Nov 16 '29	3,288.78*
	100.00—	Nov 19 '29		Nov 19 '29	2,288.78*
Nov 19 '29	1,000.00—	Nov 21 '29		Nov 21 '29	2,263.78*
Nov 21 '29	25.00—	Nov 29 '29	333.33	Nov 29 '29	2,597.11*
Dec 2 '29	400.00—	Dec 2 '29		Dec 2 '29	1,707.19*
	489.92—	Dec 4 '29		Dec 4 '29	1,373.86*
Dec 4 '29	333.33—	Dec 6 '29	400.00	Dec 6 '29	1,773.86*
		Dec 13 '29	1,375.00	Dec 13 '29	3,148.86*
Dec 16 '29	100.00—	Dec 16 '29		Dec 16 '29	3,048.86*
Dec 20 '29	20.00—	Dec 20 '29		Dec 20 '29	3,028.86*
Dec 21 '29	25.48—	Dec 21 '29		Dec 21 '29	3,003.38*
Dec 30 '29	1,400.00—	Dec 30 '29		Dec 30 '29	1,603.38*
Jan 2 '30	40.00—	Jan 2 '30		Jan 2 '30	1,563.38*
Jan 7 '30	1,000.00—	Jan 7 '30		Jan 7 '30	563.38*
Jan 8 '30	563.38—	Jan 8 '30		Jan 8 '30	00*

EXHIBIT "D"

THE AMERICAN NATIONAL BANK, AUSTIN, TEXAS

Name.....S. H. TERRELL.....

Address.....(SPECIAL).....

Date	Checks in Detail	Date	Deposits	Date	New Balance
Jul 20 '28	5.00—	Jul 18 '28	500.00	Jul 18 '28	500.00*
Jul 20 '28	4.50—	Jul 20 '28		Jul 20 '28	495.00*
Jul 21 '28	30.00—	Jul 20 '28		Jul 20 '28	490.50*
	3.75—				
	5.00—				
Jul 21 '28	7.55—	Jul 21 '28		Jul 21 '28	444.20*
Jul 21 '28	5.00—	Jul 21 '28		Jul 21 '28	439.20*
Jul 23 '28	4.00—				
	11.55—	Jul 23 '28		Jul 23 '28	423.65*
Jul 23 '28	4.75—	Jul 23 '28		Jul 23 '28	418.90*
Jul 24 '28	7.14—				
	10.00—				
	3.50—	Jul 24 '28		Jul 24 '28	398.26*
Jul 24 '28	25.00—			Jul 24 '28	373.26*
Jul 25 '28	20.00—	Jul 25 '28		Jul 25 '28	353.26*
Jul 26 '28	106.67—				
	8.29—				
	5.00—	Jul 26 '28		Jul 26 '28	233.30*
Jul 26 '28	5.00—	Jul 26 '28		Jul 26 '28	228.30*
Jul 27 '28	5.00—	Jul 27 '28		Jul 27 '28	223.30*
Jul 30 '28	5.00—				
	12.75—				
	6.00—	Jul 30 '28		Jul 30 '28	199.55*
Jul 30 '28	4.50—	Jul 30 '28		Jul 30 '28	195.05*
Jul 31 '28	2.34—				
	14.96—			Jul 31 '28	177.75*
Aug 2 '28	10.00—				
	1.00—			Aug 2 '28	166.75*
Aug 7 '28	50.00—			Aug 7 '28	116.75*
Aug 7 '28	10.25—			Aug 7 '28	106.50*
Aug 8 '28	10.10—				
	30.00—	Aug 8 '28	60.00	Aug 8 '28	66.40*
Aug 9 '28	30.00—	Aug 8 '28		Aug 8 '28	126.40*
	62.62—				
	12.85—				
	7.11—	Aug 13 '28	600.00	Aug 9 '28	20.93*
Aug 15 '28	22.64—			Aug 13 '28	620.93*
Aug 16 '28	44.80—			Aug 15 '28	591.18*
	13.50—				
Aug 16 '28	11.56—			Aug 16 '28	532.88*
Aug 20 '28	20.25—			Aug 16 '28	521.32*
Aug 22 '28	200.00—			Aug 20 '28	501.07*
Aug 24 '28	14.92—			Aug 22 '28	301.07*
Aug 27 '28	47.47—			Aug 24 '28	286.15*
Sep 6 '28	25.00—			Aug 27 '28	238.68*
Sep 7 '28	20.00—			Sep 6 '28	213.68*
	22.60—			Sep 7 '28	171.08*
Sep 11 '28	72.00—				
	11.30—			Sep 11 '28	87.78*
Sep 12 '28	47.50—			Sep 12 '28	40.28*
Sep 17 '28	11.00—			Sep 17 '28	29.28*
		Sep 20 '28	13.75	Sep 20 '28	43.03*
Sep 21 '28	5.00—	Sep 21 '28		Sep 21 '28	38.03*
Sep 24 '28	2.00—			Sep 24 '28	36.03*
Sep 25 '28	4.75—				
	7.50—			Sep 25 '28	23.78*
Sep 25 '28	18.38—			Sep 25 '28	5.40*
Sep 29 '28	3.00—			Sep 29 '28	2.40*
		Oct 2 '28	13.75	Oct 2 '28	16.15*
Oct 6 '28	20.53—	Oct 6 '28	60.00	Oct 6 '28	55.62*
Oct 8 '28	50.00—			Oct 8 '28	5.62*
		Oct 11 '28	50.00	Oct 11 '28	55.62*
Oct 13 '28	50.00—			Oct 13 '28	5.62*
		Oct 15 '28	25.31	Oct 15 '28	30.93*
Oct 20 '28	3.90—			Oct 20 '28	27.03*
Oct 22 '28	8.29—			Oct 22 '28	18.74*
Oct 23 '28	7.58—			Oct 23 '28	11.16*

AMERICAN NATIONAL BANK, AUSTIN, TEXAS—Continued

EXHIBIT "D"

Date	Checks in Detail	Date	Deposits	Date	New Balance
Bal. Brought	Forward	Oct 26 '28	11.16		
Oct 26 '28	5.15—			Oct 26 '28	6.01*
Oct 29 '28	7.50—			Oct 29 '28	1.49 ⁰⁰
Oct 31 '28	3.00—			Oct 31 '28	4.49 ⁰⁰
Nov 7 '28	50.00—	Nov 5 '28	60.00	Nov 5 '28	55.51*
Nov 14 '28	4.90—	Nov 10 '28	60.00	Nov 7 '28	5.51*
Nov 19 '28	44.80—	Nov 15 '28	50.00	Nov 10 '28	65.51*
Nov 21 '28	50.00—			Nov 14 '28	60.61*
Dec 6 '28	50.00—	Dec 3 '28	200.00	Nov 15 '28	110.61*
Dec 8 '28	2.75—			Nov 19 '28	65.81*
Dec 10 '28	22.60—			Nov 21 '28	15.81*
Dec 24 '28	13.50—			Dec 3 '28	215.81*
Dec 27 '28	125.00—			Dec 6 '28	165.81*
Dec 31 '28	5.00—			Dec 8 '28	163.06*
Jan 8 '29	35.00—	Jan 7 '29	200.00	Dec 10 '28	140.46*
Jan 9 '29	3.75—			Dec 24 '28	126.96*
Jan 9 '29	5.00—			Dec 27 '28	1.96*
Jan 9 '29	5.95—			Dec 31 '28	3.04 ⁰⁰
Jan 9 '29	13.65—			Jan 7 '29	196.96*
Jan 9 '29	20.75—			Jan 8 '29	158.21*
Jan 9 '29	30.00—				
Jan 9 '29	5.00—				
Jan 9 '29	20.93—			Jan 9 '29	56.93*
Jan 9 '29	4.50—			Jan 9 '29	52.43*
Jan 10 '29	6.41—				
Jan 10 '29	20.65—			Jan 10 '29	25.37*
Jan 17 '29	7.66—			Jan 10 '29	17.71*
Jan 17 '29	2.90—			Jan 17 '29	14.81*
Jan 26 '29	1.40—			Jan 26 '29	13.41*
Feb 4 '29	50.00—	Feb 2 '29	1,017.30	Feb 2 '29	1,030.71*
Feb 11 '29	100.00—			Feb 4 '29	880.71*
Feb 11 '29	7.80—			Feb 11 '29	868.91*
Feb 13 '29	4.00—				
Feb 13 '29	14.96—			Feb 13 '29	901.67*
Feb 13 '29	7.48—			Feb 14 '29	796.55*
Feb 14 '29	44.80—			Feb 14 '29	782.60*
Feb 14 '29	5.12—			Feb 15 '29	780.60*
Feb 14 '29	13.95—				
Feb 15 '29	2.00—			Feb 18 '29	688.57*
Feb 18 '29	83.33—				
Feb 18 '29	8.70—			Feb 26 '29	682.57*
Feb 26 '29	5.00—			Feb 27 '29	677.57*
Feb 26 '29	1.00—			Feb 28 '29	672.57*
Feb 27 '29	5.00—	Feb 28 '29		Mar 6 '29	667.57*
Feb 28 '29	5.00—	Mar 6 '29		Mar 7 '29	637.82*
Mar 6 '29	5.00—	Mar 7 '29		Mar 8 '29	622.82*
Mar 7 '29	29.75—	Mar 8 '29		Mar 9 '29	585.62*
Mar 8 '29	15.00—	Mar 9 '29		Mar 9 '29	570.62*
Mar 9 '29	37.20—				
Mar 9 '29	15.00—	Mar 11 '29		Mar 11 '29	544.27*
Mar 11 '29	3.75—	Mar 20 '29		Mar 20 '29	530.05*
Mar 11 '29	22.60—	Mar 25 '29		Mar 25 '29	498.82*
Mar 20 '29	14.22—	Mar 26 '29		Mar 26 '29	491.22*
Mar 25 '29	31.23—	Mar 29 '29		Mar 29 '29	485.22*
Mar 26 '29	7.60—				
Mar 29 '29	6.00—			Apr 8 '29	305.30*
Apr 8 '29	150.00—	Apr 8 '29		Apr 9 '29	300.30*
Apr 8 '29	14.92—	Apr 9 '29			
Apr 9 '29	15.00—				
Apr 9 '29	5.00—				
Bal. Brought	Forward	Apr 10 '29	300.30	Apr 10 '29	
Apr 10 '29	9.50—				
Apr 10 '29	12.50—	Apr 10 '29		Apr 10 '29	278.30*
Apr 10 '29	4.00—	Apr 10 '29		Apr 10 '29	274.30*
Apr 11 '29	37.50—				
Apr 11 '29	5.01—			Apr 11 '29	206.79*
Apr 11 '29	25.00—	Apr 11 '29			

AMERICAN NATIONAL BANK, AUSTIN, TEXAS—Continued

EXHIBIT "D"

Date	Checks in Detail	Date	Deposits	Date	New Balance
Apr 12 '29	5.50—	Apr 12 '29		Apr 12 '29	201.29*
Apr 19 '29	5.00—			Apr 19 '29	191.29*
	5.00—	Apr 19 '29		Apr 23 '29	188.99*
Apr 23 '29	2.30—	Apr 23 '29		Apr 27 '29	171.54*
Apr 27 '29	17.45—	Apr 27 '29		Apr 29 '29	169.54*
Apr 29 '29	2.00—	Apr 29 '29			
Apr 30 '29	17.00—			Apr 30 '29	142.54*
	10.00—	Apr 30 '29		Apr 30 '29	137.54*
Apr 30 '29	5.00—	Apr 30 '29		May 2 '29	132.54*
May 2 '29	5.00—	May 2 '29			
May 3 '29	5.25—			May 3 '29	112.29*
	15.00—	May 3 '29		May 8 '29	110.29*
May 8 '29	2.00—	May 8 '29		May 18 '29	65.49*
May 18 '29	44.80—	May 18 '29		May 21 '29	50.53*
May 21 '29	14.96—	May 21 '29		Jun 10 '29	47.78*
Jun 10 '29	2.75—	Jun 10 '29		Jun 19 '29	10.28*
Jun 19 '29	37.50—	Jun 19 '29		Jun 13 '29	610.28*
Jun 13 '29		Jun 13 '29	600.00	Jul 15 '29	555.28*
Jun 15 '29	55.00—	Jul 15 '29		Jul 16 '29	535.58*
Jul 16 '29	19.70—	Jul 16 '29		Jul 17 '29	530.08*
Jul 17 '29	5.50—	Jul 17 '29		Jul 17 '29	528.08*
Jul 17 '29	2.00—	Jul 17 '29		Jul 18 '29	505.90*
Jul 18 '29	22.18—	Jul 18 '29		Jul 20 '29	503.80*
Jul 20 '29	2.10—	Jul 20 '29		Jul 22 '29	482.07*
Jul 22 '29	21.73—	Jul 22 '29		Jul 27 '29	479.32*
Jul 27 '29	2.75—	Jul 27 '29		Aug 1 '29	475.82*
Aug 1 '29	3.50—	Aug 1 '29		Aug 1 '29	125.82*
Aug 1 '29	350.00—	Aug 1 '29		Aug 8 '29	100.82
Aug 8 '29	25.00—	Aug 8 '29		Aug 12 '29	70.37*
Aug 12 '29	30.45—	Aug 12 '29		Aug 16 '29	55.41*
Aug 16 '29	14.96—	Aug 16 '29		Aug 19 '29	35.35*
Aug 19 '29	20.06—	Aug 19 '29		Aug 20 '29	15.35*
Aug 20 '29	20.00—	Aug 20 '29		Aug 26 '29	10.35*
Aug 26 '29	5.00—	Aug 26 '29		Aug 27 '29	7.60*
Aug 27 '29	2.75—	Aug 27 '29		Aug 28 '29	331.60*
Aug 28 '29	1.00—	Aug 28 '29	325.00	Aug 29 '29	281.60*
Aug 29 '29	50.00—	Aug 29 '29		Aug 30 '29	256.60*
Aug 30 '29	25.00—	Aug 30 '29		Sep 3 '29	226.60*
Sep 3 '29	30.00—	Sep 3 '29		Sep 9 '29	209.35*
Sep 9 '29	17.25—	Sep 9 '29		Sep 9 '29	202.10*
Sep 9 '29	7.25—	Sep 9 '29			
Sep 10 '29	5.00—				
	15.00—	Sep 10 '29		Sep 10 '29	167.10*
Sep 11 '29	15.00—				
	7.70—	Sep 11 '29		Sep 11 '29	122.10*
	22.00—				
Sep 11 '29	15.30—	Sep 11 '29		Sep 11 '29	46.10*
	36.00—	Sep 11 '29		Sep 12 '29	21.10*
Sep 12 '29	40.00—	Sep 12 '29		Sep 12 '29	45.97*
Sep 12 '29	25.00—	Sep 12 '29	34.87		
Sep 12 '29	10.00—	Sep 12 '29			
Bal. Brought	Forward	Sep 16 '29	45.97		
Sep 16 '29	5.00—	Sep 16 '29		Sep 16 '29	40.97*
Sep 17 '29	3.00—	Sep 17 '29		Sep 17 '29	37.97*
Sep 18 '29	6.00—	Sep 18 '29		Sep 18 '29	31.97*
Sep 18 '29	3.50—	Sep 18 '29	21.18	Sep 18 '29	49.65*
Sep 19 '29	22.60—				
	3.00—	Sep 19 '29		Sep 19 '29	24.05*
Sep 24 '29	5.00—	Sep 24 '29	21.18	Sep 24 '29	40.23*
Sep 27 '29	12.00—				
	5.00—	Sep 27 '29		Sep 27 '29	23.23*
Sep 28 '29	3.00—	Sep 28 '29		Sep 28 '29	20.23*
Sep 30 '29	5.00—	Sep 30 '29	662.13	Sep 30 '29	677.36*
Sep 30 '29	3.00—	Sep 30 '29	3.00	Sep 30 '29	677.36*
Oct 2 '29	2.00—	Oct 2 '29		Oct 2 '29	675.36*
Oct 14 '29	2.75—	Oct 14 '29		Oct 14 '29	672.61*
Oct 14 '29	85.00—				
	41.35—	Oct 14 '29		Oct 14 '29	546.26*
Oct 18 '29	50.00—	Oct 18 '29		Oct 18 '29	496.26*
Oct 18 '29	50.00—				
	30.00—	Oct 18 '29		Oct 18 '29	416.26*
Oct 29 '29	5.00—	Oct 29 '29		Oct 29 '29	411.26*
Oct 29 '29	20.00—	Oct 29 '29		Oct 29 '29	391.26*
Oct 31 '29	14.00—	Oct 31 '29		Oct 31 '29	377.26*
Nov 1 '29	7.50—	Nov 1 '29		Nov 1 '29	369.76*
Nov 4 '29	3.00—				
	5.00—	Nov 4 '29		Nov 4 '29	361.76*

AMERICAN NATIONAL BANK, AUSTIN, TEXAS—Continued

EXHIBIT "D"

Date	Checks in Detail	Date	Deposits	Date	New Balance
Nov 5 '29	21.00	Nov 5 '29		Nov 5 '29	340.76*
Nov 6 '29	14.96	Nov 6 '29		Nov 6 '29	325.80*
Nov 8 '29	10.00	Nov 8 '29		Nov 8 '29	315.80*
Nov 9 '29	115.60				
	40.00	Nov 9 '29		Nov 9 '29	160.20*
Nov 12 '29	75.00	Nov 12 '29		Nov 12 '29	85.20*
Nov 15 '29	5.45	Nov 15 '29		Nov 15 '29	79.75*
Nov 15 '29	3.73	Nov 15 '29		Nov 15 '29	76.02*
Nov 18 '29	44.80				
	2.00	Nov 18 '29		Nov 18 '29	29.22*
Nov 20 '29	17.45	Nov 20 '29		Nov 20 '29	11.77*
Dec 17 '29		Dec 17 '29	300.00	Dec 17 '29	311.77*
Dec 17 '29	15.00	Dec 17 '29		Dec 17 '29	296.77*
Dec 18 '29	50.00	Dec 18 '29		Dec 18 '29	246.77*
Dec 19 '29	16.62	Dec 19 '29		Dec 19 '29	230.15*
Dec 19 '29	30.00			Dec 19 '29	200.15*
Dec 20 '29	15.00			Dec 20 '29	185.15*
Dec 20 '29	10.00	Dec 20 '29		Dec 20 '29	175.15*
Dec 21 '29	17.00			Dec 21 '29	158.15*
Dec 23 '29	50.00				
	15.00				
	7.40	Dec 23 '29		Dec 23 '29	85.75*
Dec 26 '29	30.00	Dec 26 '29		Dec 26 '29	55.75*
Jan 6 '30		Jan 6 '30	400.00	Jan 6 '30	455.75*
Jan 7 '30	14.22	Jan 7 '30		Jan 7 '30	441.53*
Jan 8 '30	18.72	Jan 8 '30		Jan 8 '30	422.81*
		Jan 8 '30	563.38	Jan 8 '30	986.19*
Bal. Brought	Forward	Jan 9 '30	986.19		
Jan 9 '30	27.10	Jan 9 '30		Jan 9 '30	959.09*
Jan 10 '30	100.00	Jan 10 '30		Jan 10 '30	859.09*
Jan 11 '30	11.78	Jan 11 '30		Jan 11 '30	847.31*
Jan 11 '30	35.00				
	5.00	Jan 11 '30		Jan 11 '30	807.31*
Jan 13 '30	8.29				
	35.00				
	5.00				
Jan 13 '30	75.00				
	17.98				
	30.00				
Jan 13 '30	3.00	Jan 13 '30		Jan 13 '30	633.04*
Jan 14 '30	19.29	Jan 14 '30		Jan 14 '30	613.75*
Jan 16 '30	7.50				
	7.50	Jan 16 '30		Jan 16 '30	598.75*
Jan 17 '30	15.00	Jan 17 '30		Jan 17 '30	583.75*
Jan 18 '30	7.50				
	22.50				
	7.50				
Jan 18 '30	7.50	Jan 18 '30		Jan 18 '30	538.75*
Jan 18 '30	122.46	Jan 18 '30		Jan 18 '30	416.29*
Jan 20 '30	25.79	Jan 20 '30		Jan 20 '30	390.50*
Jan 22 '30	7.50				
	41.50	Jan 22 '30		Jan 22 '30	341.50*
Jan 23 '30	22.50				
	7.50				
	7.50				
Jan 23 '30	7.50	Jan 23 '30		Jan 23 '30	296.50*
Jan 24 '30	200.00	Jan 24 '30		Jan 24 '30	96.50*
Jan 25 '30	12.52	Jan 25 '30	25.00	Jan 25 '30	108.98*

Exhibit "E."

Comptroller of Public Accounts,
State of Texas.

Austin, Texas, January 28, 1930.

Honorable Moore Lynn, State Auditor,
Austin, Texas.

Dear Sir: I am in receipt of yours of January 24th, making inquiry in regard to a list of deposits, and you request that I furnish your Department a statement of any item that I can positively identify as being personal, together with full information in regard thereto. Answering your inquiry, you are respectfully advised that each of the items about which you inquire passed over two desks in my Department filled by appointees of mine who have recently died.

Two of the items about which you inquire are as follows:

January 19, 1926, Estate of Margaret M. Griffith.....	\$1,336.00
March 1, 1926, Estate of William O. Allison	4,195.86

You ask that I advise you as to whether or not money has been returned to either of the estates or deposited with the Treasurer. Both of the above mentioned items have been turned in to the Treasurer, as is evidenced by the Treasurer's receipts Nos. 2142 and 2141. Your attention is directed to the fact that the item of \$1,336 should carry the penalty \$26.67, which makes a total of \$1,362.67, which has been deposited.

Items reading as follows:

August 13, 1926, Keeling Oil Company C	\$ 200.00
September 28, 1926, Keeling Oil Company C	100.00
October 30, 1926, Keeling Oil Company C	25.00

Making a total of.....\$ 325.00

Each of the above items have been deposited in the Treasury, as is evidenced by Treasurer's receipt No. 504.

As to the other items about which you inquire, will state that as the assistants in my Department, as above stated, who handled each of the transactions are now deceased, I have thought it wise to have an audit made of both those desks and have engaged an audi-

tor, and he is now at work. As soon as the information is available, I shall be glad to advise you.

Yours very cordially,
(Signed) S. H. TERRELL,
Comptroller of Public Accounts.

Exhibit "F."

Original.

No. 2141 \$4,195.86

Deposit Warrant.

State Comptroller of Public Accounts.

The Treasurer of
The State of Texas

Will receive from S. H. Terrell, Comptroller, by drafts and checks in the sum of four thousand one hundred ninety-five and 86/100 dollars, and credit to account of State revenue inheritance tax.

Sec. 16, Art. 7129—Oct. 1923. Leg. Est. of Wm. O. Allison.

S. H. TERRELL,
State Comptroller of Public Accounts.
Austin, January 27, 1930.

No. 2142 \$1,362.67

Deposit Warrant.

State Comptroller of Public Accounts.

The Treasurer of
The State of Texas

Will receive from S. H. Terrell, Comptroller, by drafts and checks in the sum of one thousand three hundred sixty-two and 67/100 dollars, and credit to account of State revenue inheritance tax.

Sec. 16, Art. 7129—Oct. 23 Leg. Est. of M. E. Griffith.

S. H. TERRELL,
State Comptroller of Public Accounts.
Austin, January 27, 1930.

No. 504 \$325.00

Deposit Warrant.

State Comptroller of Public Accounts.

The Treasurer of
The State of Texas

Will receive from S. H. Terrell, Comptroller, by drafts and checks in the sum of three hundred twenty-five and no/100 dollars, and credit to account of highway gasoline tax fund, 4c gas tax.

S. H. TERRELL,
State Comptroller of Public Accounts.
Austin, January 27, 1930.

In Memory
of
Hon. Dan S. McMillin

Mr. Van Zandt offered the following resolution:

Whereas, The House of Representatives has heard with great sorrow of the death of Hon. Dan S. McMillin of Whitewright, Texas; and

Whereas, He was an able, honored and valued member of the House of Representatives of the State of Texas in the Thirty-fourth, Thirty-fifth and Thirty-sixth Legislatures, and of the Senate of the State of Texas in the Thirty-seventh and Thirty-eighth Legislatures; and

Whereas, He rendered notable service to the State throughout the period of his public life; therefore, be it

Resolved, That the House of Representatives of the Forty-first Legislature records its deep appreciation of his earnest labors, his broad statesmanship and his sterling character, the qualities which made him in public service and in private life

"A tower of strength which stood foursquare
To all the winds that blew."

Resolved, That the Chief Clerk be instructed to send a copy of these resolutions to the family of Senator McMillin, that a page in the Journal be set aside in his honor, and that the adjournment of the House today be in respect to his memory, and that a floral tribute be sent for his funeral.

AVIS,
VAN ZANDT,
DAVIS,
BATEMAN,
LOY,
VEATCH,
GRAVES of Erath,
QUINN.

The resolution was read second time, and was adopted by a rising vote.

TENTH DAY.

(Friday, February 7, 1930.)

The House met at 2 o'clock p. m., pursuant to adjournment, and was called to order by Speaker Barron.

The roll was called and the following members were present:

Mr. Speaker.	Loy.
Acker.	Magee.
Ackerman.	Mankin.
Adkins.	Marks.
Albritton.	Maynard.
Allred.	McCombs.
Avis.	McDonald.
Baker.	McGill.
Barnett.	Metcalfe.
Beck.	Minor.
Bounds.	Moore.
Bradley.	Morse.
Brice.	Mullally.
Carpenter.	Murphy.
Coltrin.	Negley.
Conway.	Nicholson.
Cox of Lamar.	Olsen.
Cox of Limestone.	Palmer.
DeWolfe.	Pavlica.
Dunlap.	Petsch.
Duvall.	Pool.
Enderby.	Pope of Jones.
Farrar.	Purl.
Finlay.	Quinn.
Forbes.	Renfro.
Gilbert.	Richardson.
Giles.	Riley.
Graves	Rogers.
of Williamson.	Rountree.
Graves of Erath.	Sanders.
Hardy.	Savage.
Harding.	Shaver.
Harman.	Shelton.
Harrison.	Sherrill.
Heaton.	Simmons.
Hines.	Sinks.
Hogg.	Snelgrove.
Holder.	Stephens.
Hopkins.	Stevenson.
Hornaday.	Storey.
Hubbard.	Tarwater.
Jenkins.	Thompson.
Johnson	Tillotson.
of Dallam	Turner.
Johnson of Smith.	Van Zandt.
Johnson of Scurry.	Veatch.
Jones.	Waddell.
Justiss.	Wallace.
Keeton.	Walters.
Keller.	Warwick.
Kemble.	Webb.
Kennedy.	West.
Kincaid.	Williams
King.	of Hardin.
Kinnear.	Williams
Land.	of Travis.
Lee.	Woodruff.
Long of Wichita.	Young.

Absent.

Anderson.	Martin.
Baldwin.	Mauritz.
Brooks.	Montgomery.
Eickenroht.	O'Neill.
Gates.	Patterson.
Hefley.	Reid.
Lemens.	

Absent—Excused.

Bateman.	McKean.
Bond.	Mehl.
Chastain.	Mosely.
Davis.	Pope of Nueces.
Ewing.	Prendergast.
Finn.	Ray.
Fuchs.	Reader.
Harper.	Speck.
Johnson	Strong.
of Dimmit.	Westbrook.
Kayton.	Wiggs.
Kenyon.	Williams
Long of Houston.	of Sabine.

A quorum was announced present.

Prayer was offered by Rev. J. C. Mitchell, Chaplain.

LEAVES OF ABSENCE GRANTED.

The following members were granted leaves of absence on account of important business:

Mr. Williams of Sabine for today and tomorrow, on motion of Mr. Conway.

Mr. Bond for today, on motion of Mr. Metcalfe.

Mr. Mosely for today, on motion of Mr. Heaton.

Mr. Chastain for today, on motion of Mr. Barron.

Mr. Bateman for today, on motion of Mr. Van Zandt.

Mr. Webb for today, on motion of Mr. Albritton.

Mr. Kayton for today, on motion of Mr. Williams of Hardin.

Mr. Kenyon for today, on motion of Mrs. Moore.

Mr. Davis and Mr. Ray for today, on motion of Mr. Savage.

Mr. Reader and Mr. Anderson for today, on motion of Mr. Quinn.

Mr. Wiggs for today, on motion of Mr. Kincaid.

Mr. Fuchs for today and tomorrow, on motion of Mr. Shelton.

Mr. Pope of Nueces for today, on motion of Mr. Hardy.

Mr. Westbrook for today, on motion of Mr. Hopkins.

Mr. McDonald for today, on motion of Mr. Farrar.

Mr. Johnson of Dimmit for today, on motion of Mr. Tillotson.